



Summary:

FY 2002

National Drug Control Budget

April 2001

Summary: FY 2002 National Drug Control Budget

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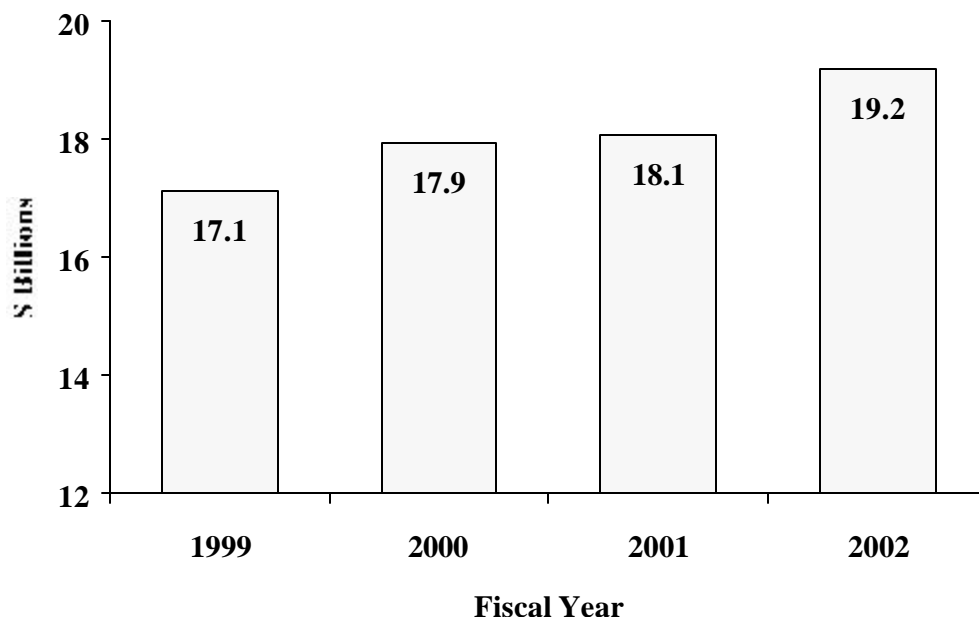
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I. EXECUTIVE SUMMARY

Overview

The FY 2002 National Drug Control Budget supports the five goals and 31 objectives of the *National Drug Control Strategy (Strategy)* and is structured to make progress toward the performance targets outlined in the national drug control *Performance Measures of Effectiveness* (PME) system. In total, funding recommended for FY 2002 is an estimated \$19.2 billion, an increase of \$1.1 billion over the FY 2001 enacted level of \$18.1 billion (Figure 1).

Figure 1: National Drug Control Budget



Funding by department for FY 2000 to FY 2002 is displayed in Table 1. Additional resources for supply-reduction programs in the Departments of State, Justice, Treasury, Transportation, and Defense will aid efforts in Colombia and the Andean region, help implement the Western Hemisphere Drug Elimination Act (WHDEA), support security along the Southwest Border, and continue enforcement operations targeting domestic sources of illegal drugs. Demand reduction efforts by the Departments of Health and Human Services and Education will support programs to increase drug treatment, provide basic research on drug use, and continue prevention efforts aimed at children and adolescents.

Table 1: Drug Spending by Department
Budget Authority (\$ Millions)

Department	FY 00 Final BA	FY 01 Enacted	FY 02 Request	FY 01-02 Change	% Change
Defense	1,273.3	1,047.1	1,069.1*	22.0	2.1%
Education	598.0	633.2	633.2	0.0	0.0%
HHS	3,022.0	3,333.2	3,622.0	288.7	8.7%
Justice	7,357.5	8,148.8	8,338.1	189.4	2.3%
ONDCP	464.4	499.8	519.1	19.2	3.8%
State	1,301.3	289.1	904.5	615.4	212.9%
Transportation	814.9	691.2	816.8	125.6	18.2%
Treasury	1,348.8	1,539.7	1,595.1	55.3	3.6%
Veterans Affairs	554.6	572.9	580.8	7.9	1.4%
All Other	<u>1,205.5</u>	<u>1,298.1</u>	<u>1,100.2</u>	<u>(197.9)</u>	<u>(15.2%)</u>
Total	17,940.3	18,053.1	19,178.8	1,125.7	6.2%

* Tentative, pending Defense strategy review.

Spending by Strategy Goal

Funding by *Strategy* Goal is summarized in Table 2. The Goals of the *Strategy* are to target sources of illegal drugs and crime associated with criminal enterprises (Goals 2 and 5), interdict the flow of drugs at our borders (Goal 4), make treatment available to chronic users (Goal 3), and reduce drug use by young people (Goal 1). Projected resources devoted to Goal 5 will reach \$2.6 billion in FY 2002, an increase of 28.1 percent. The budget for Goal 5 includes proposed funding of \$731 million in FY 2002 to support drug control activities in the Andean region. Further, multi-agency efforts, which target ports-of-entry, the Southwest Border, and implementation of the WHDEA, will expand funding for Goal 4 to an estimated \$2.8 billion in FY 2002, an increase of 8.5 percent, and funding requested for Goal 2 is \$8.3 billion in FY 2002, an increase of 2.5 percent

For Goal 3 activities targeting drug treatment programs, the President's FY 2002 Budget includes an estimated \$3.3 billion, an increase of 6.5 percent over FY 2001. In addition, the President's Budget includes significant enhancements for Goal 1 programs, including close to \$52 million in additional prevention research funding through the National Institutes of Health. However, FY 2002 funding for Goal 1 is estimated at \$2.2 billion, a net decrease of \$74 million from FY 2001. This reduction from FY 2001 is principally associated with the proposed termination of HUD's Drug Elimination Grant Program (close to \$140 million in Goal 1 resources). This decision is based, in part, on Inspector General reviews, which suggest that this program is an ineffective means of delivering services to public housing residents.

Table 2: Drug Funding by Goal
Budget Authority (\$ Millions)

Goal	FY 00 Final BA	FY 01 Enacted	FY 02 Request	FY 01-02 Change	% Change
1. Reduce youth drug use	2,131.9	2,296.3	2,222.2	(74.1)	(3.2%) ¹
2. Reduce drug-related crime	7,247.4	8,052.9	8,257.8	204.8	2.5%
3. Reduce consequences	2,854.0	3,101.2	3,303.6	202.4	6.5%
4. Shield air, land, and sea frontiers	2,488.8	2,555.7	2,772.9	217.3	8.5%
5. Reduce sources of supply	<u>3,218.4</u>	<u>2,047.0</u>	<u>2,622.3</u>	<u>575.2</u>	<u>28.1%</u> ²
Total	17,940.3	18,053.1	19,178.8	1,125.7	6.2%

¹ This change is principally associated with the proposed termination of HUD's Drug Elimination Grant Program (close to \$140 million in Goal 1 resources). This decision is based, in part, on Inspector General reviews, which suggest that this program is an ineffective means of delivering services to public housing residents.

² In FY 2000, Goal 5 includes \$1.3 billion for Plan Colombia. These resources provide critical support for activities and equipment in both FY 2000 and FY 2001.

Funding by Major Initiative

Consistent with the President's priorities for drug control, the FY 2002 budget is structured along several themes designed to implement the *Strategy*. New or continued funding is requested in FY 2002 to teach children to avoid the trap of drugs, increase support for effective treatment, cooperate with our foreign allies against drugs, secure and defend our border, strengthen and improve law enforcement coordination, and improve anti-drug technology. Major initiatives for each of these critical areas are highlighted below.

Prevention: Teaching Our Children to Avoid the Trap of Drugs

- Parents for a Drug-Free Future Program: +\$5 million. The President's Budget includes \$5 million in ONDCP's Special Forfeiture Fund to support and encourage parents to help children stay drug-free. This program will provide matching funds to national parents' organizations for the following purposes:
 - Assist training thousands of parents in communities nationwide in skills, methods, and information that help prevent drug abuse by young people;
 - Promote cooperation among national parent efforts and increase their impact through fostering partnership with the network of parent organization affiliates and chapters,

regional and state-level entities that involve parents, and local community anti-drug coalitions; and

- Provide science-based prevention strategies, information, and materials to parents and parent-serving organizations, thereby strengthening their ability to protect their children from the risks of drug use.
- **Drug-Free Communities Program: +\$11 million.** These additional resources will bring total funding for the Drug-Free Communities program to \$50.6 million in FY 2002. This initiative assists community-based groups to foster local anti-drug activities. The program provides technical assistance to community groups on forming and sustaining effective community anti-drug coalitions that prevent the use of illegal drugs, alcohol, and tobacco by youth. This funding increase will help reach youth in communities not benefiting from the program, encourage the development of community anti-drug coalitions in under-served areas to reduce substance abuse among youth, and help community anti-drug coalitions carry out their important missions.

Increasing Support for Effective Treatment and Prevention

- **National Institute on Drug Abuse (NIDA) Research: +\$126 million.** Scientific advances supported by NIDA significantly influence national approaches to drug abuse and addiction. This new funding will be used to expand the National Drug Abuse Treatment Clinical Trials Network, increase research emphasis on club drugs such as ketamine, GHB, and MDMA, continue the development and implementation of effective and innovative pharmacological and behavioral therapies, and support continued prevention research. In addition, funding will enhance efforts to improve drug abuse treatment for addicted offenders in the criminal justice system.
- **Drug Abuse Treatment Programs.** The following enhancements will provide additional funding to increase access to substance abuse treatment services and reduce the gap between those who are in need of substance abuse treatment and the capacity of the treatment system:
 - **Targeted Capacity Expansion (TCE) program: +\$40 million.** This additional funding will help the Substance Abuse and Mental Health Services Administration (SAMHSA) expand the TCE program, which is designed to support a rapid, strategic response to emerging trends in substance abuse. Included in this proposal is \$8 million to be used for competitive grants to organizations that provide residential treatment services to teenagers.
 - **Substance Abuse Prevention and Treatment (SAPT) Block Grant: +\$60 million** (\$42.6 million drug-related). This increase for SAMHSA's SAPT Block Grant will provide additional funding to states for treatment and prevention services. States use these funds to extend treatment services to vulnerable populations, such as pregnant women, women with dependent children, and racial and ethnic minorities. Currently, this program is the backbone of federal efforts to reduce the treatment gap.

- **National Data Collection: \$29 million.** This program includes an increase of \$17 million for SAMHSA, which is above base funding of \$12 million in FY 2001. With these additional resources, SAMHSA will support the evaluation of what works, examine what makes quality care, and determine whether needs and services are a good fit. By measuring the performance of federal, state, and local service efforts through its data analysis and information gathering programs, SAMHSA will identify trends and ways to respond to them in a proactive manner.

Promoting Drug Treatment for Criminals:

- **Residential Substance Abuse Treatment (RSAT) program: +\$11 million.** With these additional resources, total funding for this program will expand to \$74 million in FY 2002. RSAT is a formula grant program that distributes funds to states to support drug and alcohol treatment in state corrections facilities.
- **Drug Courts: \$50 million.** This funding maintains the Drug Courts program at the all-time high, FY 2001 enacted level of \$50 million. This program provides alternatives to incarceration through using the coercive power of the court to force abstinence and alter behavior with a combination of escalating sanctions, mandatory drug testing, treatment, and strong aftercare programs.
- **Drug-Free Workplace Programs: +\$5 million.** Through the Small Business Administration (SBA), the FY 2002 budget supports grants to organizations that help small businesses develop employee drug education programs and company drug policies. With this money, SBA will be able to help meet the increased demand for assistance by awarding more grants to intermediaries, which assist small businesses in establishing drug-free workplace programs.

Cooperate with Our Foreign Allies Against Drugs

- **Andean Regional Initiative: \$731 million.** In FY 2002, \$731 million is requested for this initiative as part of the budget for the Bureau of International Narcotics and Law Enforcement Affairs. This request provides additional funding to maintain and expand programs initiated with \$1.3 billion in FY 2000 emergency supplemental appropriations to support Plan Colombia during fiscal years 2000 and 2001. The counterdrug strategy in the region must include funding to bring greater economic and political stability to the region and a peaceful resolution to Colombia's internal conflict. Accordingly, these funds will be used to expand eradication and interdiction programs, sustain alternative development programs, and continue the emphasis on justice and government reform initiatives. This funding includes support for Colombia, Peru, Bolivia, Ecuador, Brazil, Venezuela, and Panama.
- **Colombia:** For Colombia, FY 2002 funding is principally for the following: operations and maintenance of air assets provided under Plan Colombia supplemental funding; National Police and Colombian Army Counternarcotics Brigade operational support; herbicides; airfield upgrades; base and security upgrades; communications equipment; and riverine and coastal interdiction activities.

- **Humanitarian, Social, and Economic Assistance:** Funds are also requested to implement critical humanitarian, social, and economic development programs through USAID. This includes funding to support democracy, alternative development, aid to vulnerable groups (e.g., displaced persons and child combatants), and justice sector reform projects.
- **Peru and Bolivia:** Funding for Peru and Bolivia will support enhanced interdiction and border control efforts to preempt spillover from Colombia counternarcotics efforts. These resources will also continue forced eradication, alternative development, and institution building initiatives.
- **Other Andean Support:** Funding is also included in this initiative for Ecuador, Brazil, Venezuela, and Panama for increased border control interdiction, plus forward operating location support, and alternative development for Ecuador.
- **Western Hemisphere Drug Elimination Act (WHDEA): +\$278 million.** The United States Coast Guard request includes a total of \$243 million (\$70.5 million drug-related) for Project Deepwater. Funding will be used to purchase major ships, aircraft, and communications systems. The recapitalization of deep-water assets will support the Coast Guard's counterdrug efforts in the Caribbean and Eastern Pacific. In addition, the Customs Service request includes \$35 million (all drug-related) in support of the WHDEA. The Customs initiative includes funding for maritime patrol aircraft, marine vessels, and communications, sensor, and safety enhancements that will improve air and marine drug interdiction capabilities.

Enhance and Defend Our Border

- **Border Control and Enforcement: +\$102 million** (+\$16 million drug-related). The total enhancement (both drug and non-drug) for the Border Patrol includes \$75 million (\$11.3 million drug-related) in funding for 570 additional Border Patrol agents, as well as \$20 million (\$3 million drug-related) to continue deployment of the Border Patrol's Integrated Surveillance Intelligence System (ISIS). Also, \$7 million (\$1.7 million drug-related) is requested to establish intelligence units at selected ports-of-entry along the northern and southern borders.
- **Southwest Border Drug Prosecutions: \$50 million.** A new \$50 million grant program within the Community Oriented Policing Services program will aid counties along the Southwest Border with the costs of detaining and prosecuting drug cases referred to them by U.S. Attorneys.

Strengthen and Improve Law Enforcement Coordination and Technology

- **Methamphetamine Laboratory Clean up: \$48 million.** Total funding for this activity is maintained at \$48 million in the Community Oriented Policing Services budget in FY 2002. Specifically, \$20 million is provided to support state and local authorities to help in the clean up of dangerous methamphetamine laboratories, and \$28 million is requested for enforcement activities aimed at methamphetamine.
- **DEA Law Enforcement Support: +\$58 million.** This new funding will expand several DEA activities, including \$30 million for infrastructure support of the FIREBIRD system; \$13.1 million for forensic support/laboratory operations; and \$15.1 million to support the Special Operations Division's communications intercept technology, contract linguists capabilities and Title III investigations. The principal component of this initiative is for FIREBIRD, the primary office automation infrastructure that provides essential computer tools for agents and support staff.
- **Counterdrug Technology Transfer Initiative: +\$4 million.** This increase will provide new technology to improve interdiction and coordination among law enforcement organizations. With this enhancement, the total request for ONDCP's Counterdrug Technology Assessment Center (CTAC) is \$40 million in FY 2002. CTAC provides state-of-the-art tools to enhance the capabilities of state and local law enforcement agencies and helps meet the demand for high-technology drug enforcement equipment.

The President's FY 2002 proposal for an additional \$1.1 billion in drug control spending represents a major commitment of new resources to prevent drug use among our youth, provide effective treatment programs to citizens in need, address drug production at the source, protect our borders, and strengthen domestic drug law enforcement efforts. These programs strongly promote the goals and objectives of the *National Drug Control Strategy* and will help achieve a drug-free America.

II. Drug Control Funding Tables

**Table 3: Federal Drug Control Spending By Goal and Function
FY 2000 - FY 2002**

(Budget Authority in Millions)

	FY 2000 Final BA	FY 2001 Enacted	FY 2002 Request	FY 01 - FY 02 Change	
				\$	%
Drug Goal					
Goal 1	2,131.9	2,296.3	2,222.2	(74.1)	-3.2% ^{1/}
Goal 2	7,247.4	8,052.9	8,257.8	204.8	2.5%
Goal 3	2,854.0	3,101.2	3,303.6	202.4	6.5%
Goal 4	2,488.8	2,555.7	2,772.9	217.3	8.5%
Goal 5	3,218.4	2,047.0	2,622.3	575.2	28.1% ^{2/}
Total	17,940.3	18,053.1	19,178.8	1,125.7	6.2%
Drug Function					
Criminal Justice System	8,429.0	9,357.7	9,475.6	117.8	1.3%
Treatment (w/ Research)	2,915.2	3,168.3	3,413.1	244.8	7.7%
Prevention (w/ Research)	2,338.6	2,515.7	2,441.4	(74.3)	-3.0% ^{1/}
Interdiction	1,965.9	1,950.4	2,141.5	191.1	9.8%
Law Enforcement Research	89.6	106.1	112.0	6.0	5.6%
Intelligence	309.1	345.2	358.1	12.9	3.7%
International	1,892.9	609.7	1,237.0	627.3	102.9% ^{2/}
Total	17,940.3	18,053.1	19,178.8	1,125.7	6.2%
Functional Areas					
Demand Reduction	5,253.8	5,683.9	5,854.5	170.5	3.0%
Percent	29.3%	31.5%	30.5%		
Dom. Law Enforcement	8,827.8	9,809.0	9,945.7	136.7	1.4%
Percent	49.2%	54.3%	51.9%		
Interdiction	1,965.9	1,950.4	2,141.5	191.1	9.8%
Percent	11.0%	10.8%	11.2%		
International	1,892.9	609.7	1,237.0	627.3	102.9% ^{2/}
Percent	10.6%	3.4%	6.5%		
Total	17,940.3	18,053.1	19,178.8	1,125.7	6.2%
Supply/Demand Split					
Supply	12,686.6	12,369.2	13,324.3	955.1	7.7%
Percent	70.7%	68.5%	69.5%		
Demand	5,253.8	5,683.9	5,854.5	170.5	3.0%
Percent	29.3%	31.5%	30.5%		
Total	17,940.3	18,053.1	19,178.8	1,125.7	6.2%

(Detail may not add to totals due to rounding)

^{1/} This change is principally associated with the proposed termination of HUD's Drug Elimination Grant Program (close to \$140 million in prevention/Goal 1 resources). This decision is based, in part, on Inspector General reviews, which suggest that this program is an ineffective means of delivering services to public housing residents.

^{2/} In FY 2000, Goal 5 and the International function include \$1.3 billion for Plan Colombia. These resources provide critical support for activities and equipment in both FY 2000 and FY 2001.

Table 4: Drug Control Funding: Agency Summary, FY 2000 - FY 2002

(Budget Authority in Millions)

	FY 2000	FY 2001	FY 2002
	Final BA	Enacted	Request
Department of Agriculture			
Agricultural Research Service	4.8	4.8	4.8
U.S. Forest Service	6.8	6.8	6.8
<u>Women, Infants & Children</u>	<u>16.1</u>	<u>16.1</u>	<u>16.5</u>
Total, Department of Agriculture	27.6	27.7	28.0
Corporation for National & Community Service	9.0	9.4	9.4
DC Court Services and Offender Supervision	48.6	58.2	83.8
Department of Defense			
Counterdrug Operations	972.7	1,047.1	1,069.1
<u>Plan Colombia/Andean Regional Initiative</u>	<u>300.6</u>	<u>0.0</u>	<u>0.0</u>
Total, Department of Defense	1,273.3	1,047.1	1,069.1 ^{1/}
Intelligence Community Management Account	27.0	34.0	27.0
Department of Education	598.0	633.2	633.2
Department of Health and Human Services			
Administration for Children and Families	59.4	60.4	60.4
Centers for Disease Control and Prevention	169.4	178.2	178.2
Food and Drug Administration	5.7	0.0	0.0
Health Care Financing Administration	450.0	500.0	560.0
Health Resources & Services Administration	41.6	45.8	45.9
Indian Health Service	45.3	68.3	69.7
National Institutes of Health (NIH--NIDA & NIAAA)	725.5	825.2	952.8
<u>Substance Abuse and Mental Health Services Admin.</u>	<u>1,525.1</u>	<u>1,655.3</u>	<u>1,754.9</u>
Total, Department of Health and Human Services	3,022.0	3,333.2	3,622.0
Dept. of Housing and Urban Development	310.0	309.3	0.0 ^{2/}
Department of the Interior			
Bureau of Indian Affairs	20.3	23.4	25.9
Bureau of Land Management	5.0	5.0	5.0
U.S. Fish & Wildlife Service	1.0	1.0	1.0
<u>National Park Service</u>	<u>9.5</u>	<u>9.5</u>	<u>9.5</u>
Total, Department of the Interior	35.9	39.0	41.4
The Judiciary	679.6	735.6	823.9

^{1/} FY 2002 DoD funding is tentative, pending Defense strategy review.^{2/} This change is principally associated with the proposed termination of HUD's Drug Elimination Grant Program. This decision is based, in part, on Inspector General reviews, which suggest that this program is an ineffective means of delivering services to public housing residents.

Table 4: Drug Control Funding: Agency Summary, FY 2000 - FY 2002
(Budget Authority in Millions)

	FY 2000	FY 2001	FY 2002
	Final BA	Enacted	Request
Department of Justice			
Assets Forfeiture Fund	503.0	400.0	360.0
U.S. Attorneys	207.7	218.1	228.9
Bureau of Prisons	2,063.8	2,406.9	2,597.4
Community Policing	196.4	374.7	348.1
Criminal Division	33.0	35.1	37.4
Drug Enforcement Administration	1,341.3	1,443.9	1,567.0
Federal Bureau of Investigation	709.6	810.3	712.3
Federal Prisoner Detention	332.9	363.2	440.6
Immigration and Naturalization Service	465.8	529.8	574.3
Interagency Crime and Drug Enforcement	316.8	325.2	338.1
INTERPOL	0.2	0.3	0.3
U.S. Marshals Service	210.3	224.3	243.4
Office of Justice Programs	976.3	1,016.6	889.8
Tax Division	0.4	0.4	0.4
Total, Department of Justice	7,357.5	8,148.8	8,338.1
Department of Labor	64.3	81.5	81.7
Office of National Drug Control Policy			
Operations	22.8	24.7	25.1
High Intensity Drug Trafficking Areas	191.3	206.0	206.4
Counterdrug Technology Assessment Center	32.1	36.0	40.0
Special Forfeiture Fund	218.3	233.1	247.6
Total, Office of National Drug Control Policy	464.4	499.8	519.1
Small Business Administration	3.5	3.5	5.0
Department of State			
Bureau of International Narcotics & Law Enforcement			
International Narcotics Control	273.8	279.3	162.0
Plan Colombia/Andean Regional Initiative	1,018.5	0.0	731.0
Subtotal, International Narcotics & Law Enforcement	1,292.3	279.3	893.0 ^{3/}
Emergencies in the Diplomatic and Consular Service	1.0	1.0	2.5
Public Diplomacy*	8.0	8.8	9.0
* (Previously administered through U.S. Information Agency)			
Total, Department of State	1,301.3	289.1	904.5

^{3/} FY 2000 funding provides critical support for activities and equipment in both FY 2000 and FY 2001.

Table 4: Drug Control Funding: Agency Summary, FY 2000 - FY 2002
(Budget Authority in Millions)

	FY 2000	FY 2001	FY 2002
	Final BA	Enacted	Request
Department of Transportation			
U.S. Coast Guard	760.8	636.3	759.4
Federal Aviation Administration	23.9	24.5	25.5
National Highway Traffic Safety Administration	30.2	30.5	31.9
Total, Department of Transportation	814.9	691.2	816.8
Department of the Treasury			
Bureau of Alcohol, Tobacco, and Firearms	252.0	351.8	368.6
U.S. Customs Service	664.0	721.6	772.1
Federal Law Enforcement Training Center	27.7	31.3	24.5
Financial Crimes Enforcement Network	8.9	10.6	11.2
Interagency Crime and Drug Enforcement	75.0	103.2	106.5
Internal Revenue Service	73.5	57.3	40.4
U.S. Secret Service	89.4	115.9	123.7
Treasury Forfeiture Fund	158.3	148.1	148.1
Total, Department of the Treasury	1,348.8	1,539.7	1,595.1
Department of Veterans Affairs	554.6	572.9	580.8
Total Federal Drug Budget	17,940.3	18,053.1	19,178.8

(Detail may not add to totals due to rounding)

Table 5: National Drug Control Budget by Function, FY 1992 - 2002

(Budget Authority in Millions)											
FUNCTIONAL AREAS:	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Final BA	Enacted	Request
Demand Reduction											
Drug Abuse Treatment	1,859.7	2,016.7	2,176.7	2,425.5	2,096.2	2,321.3	2,166.5	2,363.9	2,497.9	2,685.7	2,850.1
Drug Abuse Prevention	1,538.7	1,556.4	1,597.4	1,555.5	1,394.2	1,642.1	1,810.7	1,952.2	2,018.4	2,159.8	2,037.5
Prevention Research	157.5	164.3	174.8	179.6	212.2	230.7	249.5	285.6	320.3	355.9	403.9
Treatment Research	194.4	242.0	253.6	261.2	280.8	311.7	327.9	381.9	417.3	482.5	563.0
Total Demand Reduction	3,750.3	3,979.4	4,202.5	4,421.9	3,983.4	4,505.8	4,554.6	4,983.5	5,253.8	5,683.9	5,854.5
Percentage	32%	33%	35%	34%	31%	31%	30%	29%	29%	31%	31%
Domestic Law Enforcement											
Criminal Justice System	4,943.0	5,692.4	5,903.2	6,756.9	7,164.9	7,446.4	8,193.1	8,557.6	8,429.0	9,357.7	9,475.6
Other Research	152.6	91.9	91.9	101.4	114.3	111.8	106.4	113.2	89.6	106.1	112.0
Intelligence	98.6	138.1	123.9	125.0	114.5	142.3	190.6	277.3	309.1	345.2	358.1
Total Domestic Law Enf.	5,194.2	5,922.3	6,119.0	6,983.3	7,393.7	7,700.6	8,490.1	8,948.1	8,827.8	9,809.0	9,945.7
Percentage	45%	50%	51%	54%	57%	54%	56%	52%	49%	54%	52%
International	660.4	523.4	329.4	295.8	289.8	424.1	496.9	774.7	1,892.9	609.7	1,237.0
Percentage	6%	4%	3%	2%	2%	3%	3%	5%	11%	3%	6%
Interdiction	1,960.2	1,511.1	1,311.6	1,280.1	1,321.0	1,723.3	1,636.9	2,417.9	1,965.9	1,950.4	2,141.5
Percentage	17%	13%	11%	10%	10%	12%	11%	14%	11%	11%	11%
TOTALS	11,565.2	11,936.2	11,962.4	12,981.1	12,988.0	14,353.7	15,178.6	17,124.2	17,940.3	18,053.1	19,178.8

III. TECHNICAL ISSUES

Drug control funding data presented in the volume incorporate several modifications from prior years. These adjustments are principally a result of ongoing reviews of methodologies employed by each agency for calculating their drug control budgets. This section highlights the annual process that has been initiated to review drug budget methodologies and summarizes key changes to the presentation of data for the *FY 2002 Budget Summary*.

Drug Budget Accounting Improvements

The National Drug Control Budget includes funding in over 50 federal agencies and accounts. Each agency takes responsibility for carefully accounting for its drug control resources. For the drug budget to be a helpful tool for policymakers, the Congress and the public, it must be presented with an appropriate degree of accuracy and consistency. To ensure the integrity of the methods used to account for drug spending, part of the 1998 law (21 U.S.C. § 1704(d)) that reauthorized the Office of National Drug Control Policy (ONDCP) mandates that the Director of ONDCP shall, “(A) require the National Drug Program agencies to submit to the Director not later than February 1 of each year a detailed accounting of all funds expended by the agencies for National Drug Control Program activities during the previous fiscal year, and require such accounting to be authenticated by the Inspector General for each agency prior to submission to the Director; and (B) submit to Congress not later than April 1 of each year the information submitted to the Director ... [by the agencies].”

In order to implement this law, ONDCP worked closely with agency Chief Financial Officers (CFO) and Inspectors General (IG) to develop the form and content of agency drug accounting reports. As a result of this interagency process, on December 17, 1999, ONDCP issued to all drug control agencies a Circular, *Annual Accounting of Drug Control Funds*. This Circular focuses on disclosures and assertions that each agency must make regarding its drug budget methodology. Generally, drug control funding is not separately accounted for in agency financial systems of record. Drug funding is an estimate, based on individual agency drug methodologies for attributing a portion of agency budgets to drug control activities, such as treatment, prevention, interdiction, and several other drug control functions. Therefore, apart from the accuracy and reliability of agency financial systems, the most important aspect of each agency’s drug funding calculations is its drug budget methodology.

Although many agencies were able to complete this exercise successfully for FY 1999, the first year covered by this requirement, some agencies had difficulty in presenting a detailed accounting of funds that could be authenticated by their IG. To address the deficiencies identified in agency drug budget methodologies, ONDCP has embarked on an effort to improve these important calculations so that they more accurately reflect counterdrug activities across the government. These improvements will be an iterative process, which will occur over the next few fiscal years. The major changes to drug budget methodologies highlighted in this section are primarily the result of this effort to provide a more accurate display of drug budget resources. ONDCP will keep the public apprised of progress in this area and fully disclose any future modifications to agency drug budget methodologies that would significantly affect how this information is presented.

Presentation of Prior Year Budget Data (Obligations vs. Budget Authority)

Financial data in the President's Budget are presented in a way that tracks the life-cycle of an appropriation. Data are displayed several ways. For a given year, each account will show "Budget Authority", which represents the authority to incur obligations. After a fiscal year ends, account data will show "Obligations" that were actually incurred against the budget authority enacted by Congress. The *FY 2002 Budget Summary* displays data for three years – FY 2000, FY 2001, and FY 2002. Data for all three years in this document are presented as budget authority. However, data for the earliest year displayed in prior versions of the *Budget Summary* are not uniformly presented as budget authority. Over time, some departments have consistently reported prior year drug control funding data in the *Budget Summary* as obligations, while some departments have consistently reported prior year data as budget authority. This issue became apparent as a result of reviews conducted for the *FY 1999 Annual Accounting of Drug Control Funds*. In order to correct this disparity, ONDCP has worked with each department and agency, as well as OMB, to ensure that prior year drug control data displayed in the annual *Budget Summary* and the President's Budget are reported as budget authority.

In most instances, there is not much of a difference between prior year drug control financial data displayed as budget authority versus obligations. Obligation data are likely to be a few percent less, as agencies fail to use 100 percent of their authority to incur obligations for a given year. This difference does become important, however, for programs with large capital components. Budget authority for these programs may be available for obligation beyond the current fiscal year. Therefore, prior year budget authority and obligations for these programs may be quite different.

Major Changes in Drug Budget Methodologies

Administration for Children and Families (ACF)

ACF identified several issues in its *FY 1999 Annual Accounting of Drug Control Funds* that highlighted the need to revisit its drug budget methodology. Although the drug budget methodology for ACF presented in this volume is substantially unchanged from prior years, ACF and ONDCP will work during FY 2001 to develop a methodology that more accurately captures costs that are directly related to drug abuse prevention and treatment. ONDCP anticipates that the drug control resources reflected for ACF will change as a result of these methodological modifications.

Court Services and Offender Supervision Agency for the District of Columbia

The Court Services and Offender Supervision Agency (CSOSA) for the District of Columbia was established within the Executive Branch of the Federal Government by the National Capital Revitalization and Self-Government Improvement Act of 1997. On August 4, 2000, CSOSA was certified as an independent federal agency.

Given the mission of CSOSA – increase public safety, prevent crime, reduce recidivism and support the fair administration of justice in close collaboration with the community – ONDCP has recognized CSOSA as a drug control agency that primarily supports criminal justice programs involved in drug treatment, testing, and sanctions efforts. Estimated CSOSA drug funding is now reflected as part of the National Drug Control Budget.

U.S. Customs Service

As displayed in this volume, the Customs Service drug control budget methodology has been changed to reflect more accurately Customs' drug enforcement efforts. The Customs Service undertook a review of its methodological approach following the Inspector General review in 2000 of Customs reporting on drug-related funding. Four organizations within Customs were able to identify specific resources in their financial plans that support the drug enforcement mission of the agency. Customs' revised methodology more accurately reports drug control resources for these components. This review covered the following key areas:

- **Office of Investigations:** The Office of Investigations is broken down into two basic resource components, those that support the Air and Marine Interdiction function and those that support the remaining investigative function.
- **Office of Field Operations:** The Office of Field Operations was able to identify the number of inspector positions that are specifically associated with drug enforcement, either because they contribute 100 percent of their time to drug enforcement, or because their duties include a significant drug enforcement component.
- **Office of Information Technology:** The Office of Information Technology supports the drug enforcement mission through the research, development, acquisition, and support and maintenance of technology, such as non-intrusive inspection systems, through its Applied Technology Division.
- **Office of Training:** Finally, as part of the comprehensive review by Customs, the Office of Training identified specific resources falling under its purview for inclusion in the drug program.

As a result of these adjustments, drug control funding now reported by Customs is at a level that is approximately comparable (FY 2000) to what had been reported under the old methodology. However, these resources now crosswalk more precisely to specific enforcement activities. In addition, for Inspectors whose time is not considered to be 100 percent related to the drug enforcement mission, the Customs Service does not yet have an appropriate methodology to determine what portion of their time is attributable to drug enforcement. Customs is working to develop this methodology in calendar year 2001, which will result in a future refinement of the Customs methodology for the FY 2003 budget.

Department of Education

As displayed, the methodology used by the Department of Education to estimate drug control resources reflects changes made since last year to account more accurately for drug-related prevention and treatment funding. The changes proposed by the Department of Education, and approved by ONDCP, include the exclusion of the Vocational Rehabilitation State Program and the National Institute on Disability and Rehabilitation Research from the drug control budget. Both of these programs are focused on the vocational rehabilitation of disabled individuals and have only a weak nexus to drug treatment or treatment research. In addition, a minor change in the methodology for scoring the National Programs component of the Safe and Drug-Free Schools program was made. Funding for activities under the National Programs activity that can be identified as exclusively supporting school safety or violence prevention is now excluded from the drug control budget. The implementation of this revised methodology resulted in reductions to Education's past and present drug budgets. For FY 2000, the changes reduced the amount attributed to Education's drug control programs by approximately \$100 million.

Federal Law Enforcement Training Center

As displayed in this volume, the Federal Law Enforcement Training Center (FLETC) drug control budget methodology has been changed to reflect more accurately FLETC's drug enforcement efforts. FLETC undertook an examination of its methodological approach following the Inspector General review in 2000 of FLETC's reporting on drug-related funding. FLETC will score as 100 percent drug-related all training programs that are specifically associated with drug law enforcement and all training for international programs, which have a strong drug-control nexus. For training programs that are not specific to drug enforcement, FLETC will apply to training program costs, where appropriate, the drug-related scoring percentages for specific programs, or the drug-related scoring percentages of participating agencies. For FY 2000, the revised methodology resulted in a \$41 million reduction from the amount reported in last year's *Budget Summary*. The effect on the amount reported for other years is a similar order of magnitude. The data have been adjusted to report the FLETC budget on a consistent basis for FY 2000 to FY 2002. During 2001, ONDCP will develop estimates to adjust the historical data series for FLETC funding, which will be reported in the next *Budget Summary*. This change to the FLETC methodology reflects a technical scorekeeping adjustment only; it has no adverse effect on the actual level of FLETC's resources devoted to the drug program.

Food and Drug Administration (FDA)

Prior to 2000, the FDA funded an initiative to reduce youth tobacco use. This was accomplished through limiting the access and appeal of tobacco products to young people, enlisting retailers' and other stakeholders' assistance, and developing regulatory procedures for cigarettes and smokeless tobacco products. As part of this effort, FDA implemented an Executive Order calling for the regulation of nicotine.

After FDA issued its final regulation implementing its tobacco program, the cigarette, smokeless tobacco, advertising, and retail industries brought suit to invalidate FDA's assertion of

jurisdiction and enjoin its regulations. Following several appeals, on March 21, 2000, the Supreme Court affirmed the decision of the U.S. Court of Appeals for the Fourth Circuit, holding that FDA lacks jurisdiction under the Federal Food, Drug, and Cosmetic Act to regulate tobacco products. As a consequence of this decision, FDA has terminated its tobacco program. No FDA resources are now scored as part of the National Drug Control Budget in FY 2002.

Health Resources and Services Administration (HRSA)

The methodology used this year to estimate HRSA's drug control resources reflects a change from last year. The drug methodology used last year to estimate drug control resources reported six percent of the amounts appropriated for Parts A, B, and C (Titles I, II [excluding the AIDS Drug Assistance Program (ADAP)], and III) of the Ryan White Comprehensive AIDS Resources Emergency (CARE) Act. For the *FY 2002 Budget Summary*, the estimate of drug control resources is based on the amounts reported by grantees for drug abuse treatment as part of the Annual Administrative Report for Parts A and B (Titles I and Title II [excluding ADAP]) of the Ryan White CARE Act. An estimate for Part C (Title III) is not included, as grantees do not specifically report information in this category for drug abuse treatment. Although this change is pending final ONDCP approval, HRSA's drug resources are reported using the new methodology in an attempt to reflect the most accurate drug control estimates. Once approved, HRSA's historical data series will be adjusted to reflect the new methodology for fiscal years 1991 through 1999.

Department of Housing and Urban Development (HUD)

The President's FY 2002 Budget proposes the termination of the Public House Drug Elimination Grant (PHDEG) program. No HUD resources are now scored in FY 2002 as part of the National Drug Control Budget. However, the termination of this program is, in part, based on the availability of other funds, which could be used for similar drug control purposes. The Public Housing Operating Fund authorizes expenditures for drug enforcement-related activities. The President's FY 2002 Budget includes an enhancement for this account, in order to offset partially the reduction to the PHDEG account. ONDCP will work with HUD during 2001 to develop a new drug budget methodology for estimating the level of drug control funding for this alternative account.

United States Marshals Service (USMS)

The drug budget methodology employed by the USMS applies various drug control percentages to each applicable USMS budget decision unit, in order to derive a total figure for the USMS drug budget. For the *FY 2002 Budget Summary*, the USMS has updated its drug control percentages for each decision unit, based upon last year's annual audit of drug control spending. These percentages will be updated on an annual basis to reflect a more accurate accounting of drug control spending by the USMS. The updated drug control percentages have resulted in the following changes.

	<u>FY 01</u>	<u>FY02</u>
Using Revised Percentages	\$224.3M	\$243.4M
Using Old Percentages	<u>\$304.9M</u>	<u>\$322.3M</u>
Change	-\$80.6M	-\$78.9M

National Institutes of Health (NIH)

Two institutes within NIH contribute to the National Drug Control Budget: the National Institute on Drug Abuse (NIDA) and the National Institute on Alcohol Abuse and Alcoholism (NIAAA). The resources included in NIAAA's drug budget are determined by the level of funding provided for NIAAA applied research on children and youth. NIAAA is in the process of requesting a modification of its drug budget methodology that would reduce the amount of drug funding reported by the projects that focus on mother's alcohol use/misuse or Fetal Alcohol Syndrome. After ONDCP review, this may affect the future presentation of NIAAA drug-related resources.

Department of Veterans Affairs

The Department of Veterans Affairs' (VA) drug control budget methodology has been changed to account more accurately for drug-related treatment funding. As a result of improved tracking mechanisms within the cost accounting system regarding drug patients, VA is now better able to account for the drug-related resources associated with medical treatment costs for patients with substance abuse disorders. Previously, VA included "other related treatment costs" of patients treated with primary, secondary or associated drug diagnoses. Using this approach, various percentages of treatment costs were applied depending on the patient's drug diagnosis. These data were then extrapolated from previous years to current years by applying the medical Consumer Price Index. For "other related treatment costs," this process resulted in capturing costs that were only indirectly related to drug treatment. In order to improve these estimates, a change in VA's drug methodology has been implemented that more accurately accounts for drug-related treatment.

The revised drug methodology captures all costs generated by the treatment of:

(1) patients with drug use disorders treated in specialized substance abuse treatment programs, and (2) patients with a primary drug use diagnosis treated in any other treatment setting. No "other costs" associated with secondary or associative diagnosis are factored into the drug budget, as they were under the previous methodology.

For fiscal year 2000, the revised methodology has resulted in a scorekeeping adjustment of close to \$560 million from the amount reported in last year's *Budget Summary*. Adjustments have been made to the historical data series for all fiscal years in which VA reported drug funding. This change reflects a technical scorekeeping adjustment only and has no adverse effect on the actual level of VA's resources devoted to drug treatment.

AGRICULTURAL RESEARCH SERVICE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 5	\$4.765	\$4.765	\$4.765
Drug Resources by Function			
Research and Development	\$4.765	\$4.765	\$4.765
Drug Resources by Decision Unit			
Crop Eradication Research	\$2.634	\$1.150	\$1.150
Alternatives & Narcotic Crop Substitutes	0.713	2.942	2.942
Estimation & Detection – Illicit Crops	0.745	0.300	0.300
Narcotic Plant Identification & Chemistry	<u>0.673</u>	<u>0.373</u>	<u>0.373</u>
Total	\$4.765	\$4.765	\$4.765
Drug Resources Personnel Summary			
Total FTEs (direct only)	11	11	11
Information			
Total Agency Budget	\$830.4	\$914.5	\$915.6
Drug Percentage	0.6%	0.5%	0.5%

II. METHODOLOGY

- The Agricultural Research Service (ARS) maintains an automated system for tracking full-time equivalency, and the costs and resources assigned to each identifiable research program. The Research Management Information System is this agency's basic management database, which is used to develop and track resource estimates for all ARS narcotics-related projects.

III. PROGRAM SUMMARY

- ARS has been involved in narcotics-related research since 1972, when requested by the White House Drug Policy Coordinator and the Department of State to evaluate eradication options for illicit cultivation overseas, in cooperation with the United Nations Division of Narcotic Drugs.
- The ARS research program provides science support to other federal agencies in the areas of illicit crop eradication, intelligence (drug crop estimates and identification), and alternative crop programs in producer countries. Coordination is conducted through various mechanisms with both federal and international organizations.
- Activities focus on four areas: eradication research through a program of chemical, biological, and mechanical agents; research and development of alternative crops in

producing (narcotic) countries; research into models and estimates of illicit crops overseas; and narcotics crop plant identification and chemistry, including detection of cannabis on U.S. public land.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 5: Break foreign and domestic drug sources of supply.

- The FY 2001 program includes \$4.8 million for reducing foreign and domestic sources of supply. These research programs directly support Goal 5 of the *Strategy* that is directed towards reducing foreign illicit supply. The FY 2001 program also includes alternative crop research and illicit crop eradication research. The latter program (drug crop eradication overseas) is to be conducted in coordination with the United Nations Drug Control Program's (UNDCP) new initiative related to biological control of illicit narcotic plants. Primary program oversight authority for foreign crop eradication, including research, resides with the Secretary of State.

FY 2002 Significant Program Changes

- The FY 2002 budget for the ARS includes \$4.8 million and 11 FTEs. These resources will fund eradication research; research and development of alternative crops; research in estimates of illicit crop cultivation overseas; and narcotic plant identification and chemistry, including cannabis detection/estimation.
- The request continues current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- **Crop Eradication Research:** ARS has successfully identified three coca pathogens and approximately seven opium pathogens that are candidates for further research into the biological control of narcotic crops. The resultant research data have been turned over to the UNDCP. Field trials in Colombia utilizing the herbicide glyphosate and adjuvants have continued with good success; control levels of approximately 90 percent of targeted illicit coca have been achieved. The program will be evaluated this year to determine if further gains can be made; otherwise program re-direction for fiscal year 2002 will be considered.
- **Reduce Economic Dependence upon Illicit Narcotic Crops by Identifying Alternatives and Narcotic Substitutes in the Western Hemisphere:** This program is conducted primarily in cooperation with the Department of State and the Organization of American States, with support from various industry trade associations, primarily in the American and European cocoa industries. Program emphasis has been upon disease reduction using integrated pest management and selected breeding of resistant material. Research stations are now operational in Brazil, Peru, Bolivia, Costa Rica, and Colombia. Several Colombian scientists are now located at ARS research locations; research emphasis is on control of

coffee insect pests and the reduction of disease in cacao. In the case of control of coffee pests, emphasis is upon the development of economical artificial diets for parasitoids of the major pest *Hypothenemus hampei* (coffee berry borer).

- **Estimate and Detect Illicit Narcotic Crop Production Worldwide:** During the period 1993-2000, the Agency supported estimates of illicit opium and coca crops in Bolivia, Peru, Colombia, Mexico, Burma, Laos, and Pakistan. An estimate of the range of predicted licit opium production was also conducted in India. Research emphasis is now redirected toward detecting illicit cannabis grown in mixed vegetation and on public lands in the United States. The Agency conducts approximately four courses annually in cooperation with federal and state law enforcement agencies. Future research will focus upon aerial and land-based sensors.
- **Support Law Enforcement Agencies Through Programs Oriented Towards Narcotic Plant Identification and Chemistry:** The Agency remains the primary curator for narcotic plant species in the United States and frequently provides identification services to law enforcement, up to and including expert testimony in court. Applicable scientific fields relevant to the identification and classification of narcotic plant taxa includes DNA fingerprinting, botany, plant morphology, plant biochemistry and plant alkaloid chemistry. The resultant research has been published in the peer-reviewed literature and used for forensic purposes in both criminal and civil proceedings.

U.S. FOREST SERVICE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$0.125	\$0.125	\$0.125
Goal 5	<u>6.675</u>	<u>6.675</u>	<u>6.675</u>
Total	\$6.800	\$6.800	\$6.800
Drug Resources by Function			
Investigations	\$5.490	\$5.490	\$5.490
Intelligence	0.200	0.200	0.200
State and Local Assistance	0.870	0.870	0.870
Research and Development	0.115	0.115	0.115
Prevention	<u>0.125</u>	<u>0.125</u>	<u>0.125</u>
Total	\$6.800	\$6.800	\$6.800
Drug Resources by Decision Unit			
Detection & Monitoring	\$0.300	\$0.300	\$0.000
Law Enforcement Agency Support	6.400	6.400	0.000
Demand Reduction	0.100	0.100	0.000
Drug Enforcement	<u>0.000</u>	<u>0.000</u>	<u>6.800</u>
Total	\$6.800	\$6.800	\$6.800
Drug Resources Personnel Summary			
Total FTEs (direct only)	68	68	68
Information			
Total Agency Budget	\$2,649.8	\$4,403.2	\$3,736.8
Drug Percentage	0.3%	0.2%	0.2%

II. METHODOLOGY

- The U.S. Forest Service (FS) budget structure includes a Law Enforcement and Investigations (LEI) budget line item within the National Forest System (NFS) appropriation. Within the LEI budget line item, funds allocated for drug enforcement activities are based on an analysis of workload that takes into account all law enforcement responsibilities related to the mission of the FS.

III. PROGRAM SUMMARY

- The FS manages 155 national forests, 20 national grasslands, and 9 land utilization projects on 191.6 million acres in 43 states, the Virgin Islands, and Puerto Rico. The law enforcement program is directed at protecting the public, employees, and natural resources. Three drug enforcement issues are of concern to the Agency: (1) marijuana cultivation, (2) methamphetamine production, and (3) smuggling across international borders.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The FY 2001 program includes \$0.1 million, which is used for the Drug Abuse Resistance Education (D.A.R.E.) program in rural areas adjacent to NFS lands.

Goal 5: Break foreign and domestic drug sources of supply.

- The FY 2001 program includes \$6.7 million, which supports Law Enforcement Agency Support, Detection, Monitoring, and Investigation.
- Major Emphasis Areas include:
 - Determining the extent of cannabis cultivation on NFS lands and assigning appropriate resources accordingly and as available.
 - Participating in ONDCP's High Intensity Drug Trafficking Area (HIDTA) program to leverage resources with federal, state, and local agencies.
 - Increasing cannabis detection through accurate interpretation of ground data, vegetative typing, and aerial optical analysis systems. Establishing a task group of technical and enforcement personnel to evaluate and identify systems and methods that may increase ability to detect cannabis cultivation sites. Coordinating efforts with Agricultural Research Service in detection and eradication methods.
 - Coordinating Forest Service drug enforcement actions with the DEA, state, and local agencies as appropriate.
 - Continuing to place emphasis on NFS lands along the Southwest Border to decrease trafficking and movement of drugs.
 - Continuing the use of vital National Guard, regular military, and other military support resources. Utilizing the Civil Air Patrol for aviation missions. Maintaining a representative at Operation Alliance in El Paso, Texas. This position coordinates military support requests with Operation Alliance and serves as liaison with the El Paso Intelligence Center.

FY 2002 Significant Program Changes

- The FY 2002 request maintains current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS (CALENDAR YEAR)

- More than 733,420 cannabis plants were eradicated from 5,341 cultivation sites in 2000 in comparison to 490,300 plants in 1999. In conjunction with other agencies, the Forest Service seized approximately 17,650 pounds of processed marijuana in 2000 vs. 8,898 pounds in 1999. More than 92.5 pounds of methamphetamine were seized in 2000 vs. 17.5 pounds in 1999. Clandestine lab and dump sites found increased from 107 in 1999 to 488 in 2000.
- More than 2,790 arrests were made in 2000 for drug-related offenses. Over \$6.1 million in assets were seized in conjunction with other agencies and by the Forest Service.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 3	\$16.068	\$16.093	\$16.469
Drug Resources by Function			
Prevention	\$16.068	\$16.093	\$16.469
Drug Resources by Decision Unit			
Drug Assessment and Referral Activities	\$16.068	\$16.093	\$16.469
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Information			
Total Agency Budget ¹	\$4,017.0	\$4,023.1	\$4,117.1
Drug Percentage	0.4%	0.4%	0.4%

¹ Total Agency Budget excludes the WIC Farmers' Market Nutrition Program

II. METHODOLOGY

- The Anti-Drug Abuse Act of 1988 (P.L. 100-690), enacted November 18, 1988, and the Child Nutrition and WIC Reauthorization Act of 1989 (P.L. 101-147), enacted November 10, 1989, defined the role of WIC in providing drug abuse prevention and referral activities.
- WIC regulations have required, when appropriate, referrals to alcohol and drug abuse counseling. For many WIC local agencies, it is routine to warn pregnant women about the dangers of drinking alcohol, smoking cigarettes, and using illegal drugs. Substance abuse (alcohol, tobacco, and other drugs) is an authorized WIC Nutrition Risk Criterion in determining eligibility for program benefits.

III. PROGRAM SUMMARY

- Drug abuse prevention education for WIC activities is defined as: providing information to participants concerning the dangers of drug abuse during pregnancy; referring participants who are known or suspected drug abusers to drug abuse clinics, treatment programs, counselors, or other drug abuse professionals where such services are locally available; and distribution of drug abuse prevention materials developed by the USDA.
- USDA appoints drug/alcohol abuse education and prevention experts to the WIC National Advisory Council on Maternal, Infant, and Fetal Nutrition.

- WIC local agencies are required to coordinate with local alcohol, tobacco, and other drug abuse counseling and treatment services.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The total FY 2001 drug control request for Goal 3 activities is \$16.1 million. This amount is used for drug abuse prevention education and referral activities.

FY 2002 Significant Program Changes

- The total FY 2002 drug control request for Goal 3 activities is \$16.5 million, an increase of \$0.4 million over FY 2001.
- The request continues continuing services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- USDA continues to support WIC State agencies' efforts to encourage local agencies to screen women for alcohol, tobacco, and other drug abuse and refer them, when appropriate, to drug treatment programs available in their communities.
- Anecdotal data suggest that WIC local agencies annually refer 10 percent of their women participants to drug treatment centers.

CORPORATION FOR NATIONAL SERVICE

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$9.009	\$9.400	\$9.400
Drug Resources by Function			
Prevention	\$9.009	\$9.400	\$9.400
Drug Resources by Decision Unit			
Domestic Volunteer Service Act Activities			
–VISTA	\$3.758	\$4.200	\$4.200
National and Community Service Act Activities			
–Drug Prevention Programs	<u>5.251</u>	<u>5.200</u>	<u>5.200</u>
Total	\$9.009	\$9.400	\$9.400
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Information			
Total Agency Budget	\$731.7	\$767.4	\$733.0
Drug Percentage	1.2%	1.2%	1.3%

II. METHODOLOGY

- The Corporation for National Service (CNS) falls under a category of federal agency that *indirectly* contributes to the Drug Control Program. Most of the Corporation's budgeted activities involve a decentralized process of awarding grants to State Commissions, which, in turn, award sub-grants to local organizations.
- A small number of these organizations receive grants for activities specifically involving drug prevention. Other organizations run youth programs, such as after-school programs, which, by keeping kids off the streets, have an indirect impact on the National Drug Control effort.
- The drug budget numbers reported in this submission represent data pulled from some of the Corporation's program databases where activities directly relating to the drug prevention effort have been reported. Two of the Corporation's programs, AmeriCorps and the National Senior Service Corps, were able to identify report data documenting the use of funds in support of drug prevention activities.

III. PROGRAM SUMMARY

- The Corporation for National Service administers the programs authorized by the National and Community Service Act of 1990 and the Domestic Volunteer Services Act of 1973.

These programs address many of the nation's educational, human service, public safety, and environmental needs through a variety of volunteer activities. Some of these activities may have a positive impact on drug abuse prevention. However, none of the Corporation's program activities has the expressed, direct program objective of preventing drug use.

- The Corporation's programs provide support to Goal 1 of the *Strategy*.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The Corporation estimates that \$9.4 million of its FY 2001 resources will be spent on substance abuse prevention efforts. The FY 2001 base program for prevention activities consists of the following projections:
 - The National Senior Corps provides opportunities for older Americans to serve their communities. In some cases, grant funding provided under this program supports substance abuse prevention activities. In FY 2001, the National Senior Corps projects funding for these efforts to be \$4.2 million.
 - Members of AmeriCorps serve with grantees addressing community needs in education, public safety, the environment, and other needs. Some activities funded through AmeriCorps grants have an impact on drug prevention efforts. In FY 2001, AmeriCorps projects funding for these efforts to be \$5.2 million.
- This funding amount represents an estimate based on the documentation of drug prevention activities that the Corporation has identified in the past fiscal year (FY 2000).

FY 2002 Significant Program Changes

- The FY 2002 drug budget request for the Corporation for National Service is \$9.4 million, which represents FY 2001 level of support.
- Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- No new program accomplishments are reported.

COURT SERVICES & OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$48.629	\$58.191	\$83.839
Drug Resources by Function			
Treatment	\$37.521	\$46.575	\$70.925
Prosecution	<u>11.108</u>	<u>11.616</u>	<u>12.914</u>
Total	\$48.629	\$58.191	\$83.839
Drug Resources by Decision Unit			
Community Supervision Program	\$24.853	\$30.350	\$50.862
Pretrial Services Agency	12.668	16.225	20.063
Public Defender Service	<u>11.108</u>	<u>11.616</u>	<u>12.914</u>
Total	\$48.629	\$58.191	\$83.839
Drug Resources Personnel Summary			
Total FTEs (direct only)	451	511	554
Information			
Total Agency Budget	\$93.4	\$112.3	\$147.3
Drug Percentage	52.1%	51.8%	56.9%

II. METHODOLOGY

- Estimates of drug-control resources for the Community Supervision Program within the Court Services and Offender Supervision Agency (CSOSA) are based on 100 percent of the amount for specific operational activities (drug testing, treatment and sanctions) and 36 percent of the total cost for the supervision of post-conviction offenders in the community. Expenses related to supervision activities are derived from 100 percent of the supervision costs included within CSOSA's treatment and support services operational strategy and 45 percent of the supervision costs included within the close supervision operational strategy. The 45 percent represents the FY 2000 percent of post-conviction offenders who tested positive for illegal substances. Operational support expenses are included within each activity based on a prorated share of direct operational expenses. For the D.C. Pretrial Services Agency the costs of drug treatment and other related activities, e.g. close supervision, are estimated based upon the percentage of defendants testing positive for drug use or admitting to recent drug usage at the time of arrest. Based on pretrial drug testing experience, approximately 62 percent of defendants are expected to test positive or admit to recent drug usage at the time of arrest in FY 2002. The activities of the D.C. Public Defender Service are also estimated based on the percentage of defendants testing positive for drug use at the time of arrest.

III. PROGRAM SUMMARY

- CSOSA was established within the Executive Branch of the Federal Government by the National Capital Revitalization and Self-Government Improvement Act of 1997 (the Revitalization Act). On August 4, 2000, CSOSA was certified as an independent federal agency.
- The Revitalization Act placed the D.C. Pretrial Services Agency (PSA), as an independent entity within CSOSA. In addition, the D.C. Public Defender Service (PDS), an independent D.C. agency, receives appropriated funds through a transfer of funds from CSOSA.
- The Revitalization Act required a massive reorganization of criminal justice activities within the District of Columbia. The intent was to have the federal government assume responsibility for program services more traditionally provided by state governments (rather than municipalities).
- The Revitalization Act placed responsibility for the supervision of post-conviction offenders with CSOSA. The Community Supervision Program (CSP) within CSOSA manages approximately 15,550 adults under probation, parole or supervised release. The Revitalization Act placed responsibility for the supervision of defendants released prior to trial with PSA. At any given time, PSA manages approximately 10,000 defendants on pretrial release and manages in excess of 20,000 defendants throughout a calendar year.
- CSOSA's mission is to increase public safety, prevent crime, reduce recidivism and support the fair administration of justice in close collaboration with the community. The agency enhances decision-making and provides effective community supervision, thereby ensuring confidence in the D.C. criminal justice system. In addition to supporting the CSOSA mission, PSA's mission includes safeguarding the constitutional presumption of innocence and formulating the least restrictive non-financial release recommendations for defendants in both the D.C. Superior Court and the U.S. District Court for the District of Columbia.
- CSOSA's programs, including those of PSA, support the *National Drug Control Strategy* (the *Strategy*) by identifying and treating drug use among the defendant and offender population within the District of Columbia. CSOSA's programs seek to break the cycle of drug abuse and crime.
- CSOSA has established an overall performance target to reduce the recidivism rate for violent and drug-related crime by offenders under the Agency's supervision by at least 50 percent by 2005. A critical aspect of CSOSA's program is to seek dramatic reductions in the rate of convictions for new crimes or revocation for the supervised population in the District of Columbia.
- CSOSA, including PSA, has adopted five basic courses of action to achieve the Agency's mission;
 - Establish and implement (1) an effective Risk and Needs Assessment and case management process to help officials determine whom it is appropriate to release and at

what level of supervision, and (2) an ongoing evaluation process that assesses a defendant's compliance with release conditions and an offender's progress in reforming behavior.

- Provide close supervision of offenders and high-risk defendants, with immediate graduated sanctions for violations of release conditions.
- Provide appropriate treatment and support services, as determined by the needs assessment, to help defendants comply with release conditions and offenders reintegrate into the community.
- Establish partnerships with other criminal justice agencies and community organizations.
- Provide accurate and timely information and meaningful recommendations to criminal justice decision-makers that are consistent with the defendant's or offender's risk and needs profile.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- CSOSA's FY 2001 enacted drug control program includes \$58.2 million and 511 FTEs, all of which supports Goal 2 of the *Strategy*. Of this amount, CSP contributes \$30.4 million and 222 FTEs, PSA provides \$16.2 million and 164 FTEs, and PDS contributes \$11.6 million and 125 FTEs. Resources from CSP and PSA are allocated to the Treatment function, while resources from PDS are allocated to the Prosecution function, in support of the administration of justice.

FY 2002 Significant Program Changes

- The total drug control request for FY 2002 is \$83.8 million and 554 FTEs, a net increase of \$25.6 million and 43 FTEs over the FY 2001 enacted level. This request includes \$50.9 million and 237 FTEs for CSP, \$20.1 million and 185 FTEs for PSA, and \$12.9 million and 131 FTEs for PDS. This request level will enable CSOSA to continue its community-based and sanctions-based supervision strategy that seeks to reduce crime among its supervised population and support the fair administration of justice. The requested level will also enable PSA to continue its effort to fully assess each defendant to make appropriate release recommendations to the Courts.
- CSOSA is requesting funding for renovation and repair of a residential Re-Entry and Sanctions Center, which will support pretrial defendants and post-conviction offenders. The Re-Entry and Sanctions Center will serve as CSP's focal point for transitioning parolees from prison into the community and will be used to stabilize relapsing defendants and offenders in a secure environment.
- Resources are requested for CSP to provide substance abuse treatment and mental health case management and assessment services to meet approximately 70 percent of the projected contract treatment need for offenders under supervision. In addition, staff positions are

requested to improve drug testing collection capabilities in supervision field units to improve detection of offender drug use.

- In FY 2002, CSP will continue to move supervision officers out of downtown offices into the community; specifically a new supervision field unit is planned for the Southeast sector of the city.
- The PSA FY 2002 request includes \$2 million for increased drug treatment services and case supervision.
- Resources are requested for CSP and PSA to improve and support case management systems and establish enterprise-wide connectivity.
- In FY 2002, the PDS will provide legal services and assistance to those under community-based criminal justice supervision (probation, parole, pretrial release) in order to reduce recidivism and reduce the number of people subject to revocation of release and costly re-incarceration.

V. PROGRAM ACCOMPLISHMENTS

- CSOSA implemented an innovative re-entry program to reintegrate offenders returning to the community from prison or from split-sentence probation sentences. The purpose of the program is to enable offenders to become law-abiding and productive members of society.
- PSA has implemented two in-house treatment and supervision programs. The D.C. Drug Court provides supervised sanctions-based substance abuse treatment to non-violent felons and misdemeanants. The New Directions program provides intensive supervised sanctions-based substance abuse treatment to defendants who do not qualify for the D.C. Drug Court. Defendants in these programs are eligible for sanctions if they continue to use illegal drugs.
- CSOSA established a scientific review team to ensure that offenders are appropriately classified and scheduled for treatment consistent with risk and needs assessment results. The team developed a classification system and has completed the instrument – the CSOSA Screener – to be used during the first stage of the process.
- CSOSA collaborated with Correctional Service Canada, a leader in the international criminal justice community, to use its specific instrument to assess the level of needs for offenders in the District of Columbia.
- CSOSA developed a system for evaluating all contract substance abuse treatment providers, based on American Society for Addiction Medicine standards of care, coupled with contract statements of work crafted by CSOSA. PSA is following a similar quality assurance process and has restructured the treatment contract statement of work to permit performance-based management of all treatment contracts.

- CSOSA expanded its Quality Assurance Plan by evaluating the nutrition services of all residential substance abuse treatment contractors. Each contractor received an individualized report detailing its strengths and recommended areas for improvement.
- CSOSA has entered into a series of interagency agreements to (1) enhance supervision, (2) help offenders in obtaining employment, and (3) complete community service requirements. A total of twelve interagency agreements have been established between CSOSA and various D.C. Governmental entities and community organizations. These agreements focus on the employment, community service, and supervision needs of CSOSA's offender population.
- CSOSA and PSA expanded significantly drug testing capacity by constructing a new drug testing laboratory and three new drug testing collection sites.

DEPARTMENT OF DEFENSE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 ¹ Request
Drug Resources by Goal			
Goal 1	\$27.4	\$28.5	\$29.1
Goal 2	121.3	121.3	123.8
Goal 3	74.2	74.2	75.7
Goal 4	427.1	471.9	481.8
Goal 5	<u>322.8</u>	<u>351.3</u>	<u>358.7</u>
Subtotal	\$972.7	\$1,047.1	\$1,069.1
Plan Colombia/Andean Initiative ²	<u>300.6</u>	<u>0.0</u>	<u>0.0</u>
Total	\$1,273.3	\$1,047.1	\$1,069.1
Drug Resources by Function			
Interdiction	\$545.0	\$580.8	\$593.0
State and Local Assistance	293.5	318.1	324.7
Prevention	93.8	95.4	97.4
Treatment	7.1	7.2	7.3
Research and Development	<u>33.4</u>	<u>45.6</u>	<u>46.5</u>
Subtotal	\$972.7	\$1,047.1	\$1,069.1
Plan Colombia/Andean Initiative ²	<u>300.6</u>	<u>0.0</u>	<u>0.0</u>
Total	\$1,273.3	\$1,047.1	\$1,069.1
Drug Resources by Funding Source			
Central Transfer Account	\$997.5	\$867.1	\$885.3
Military Departments/OPTempo	129.2	180.0	183.8
Military Departments/MILCON	116.5	0.000	0.000
ARL Procurement	<u>30.0</u>	<u>0.000</u>	<u>0.000</u>
Total	\$1,273.3	\$1,047.1	\$1,069.1
Drug Resources Personnel Summary			
Total FTEs (direct only) ³	1,444	1,459	1,470
Information			
Total Agency Budget (Billions)	\$279.9	\$291.1	\$310.5
Drug Program Percentage	0.5%	0.4%	0.3%

(Detail may not add to totals due to rounding.)

¹ Department of Defense proposed FY 2002 counterdrug funding is preliminary, pending an overall strategy review by the Secretary of Defense.

² Of the funding appropriated in the FY 2000 Emergency Supplemental, \$114.169 million will be allocated in FY 2001. This funding will be shown as part of the FY 2001 program in the FY 2002 DoD Congressional Budget presentation.

³ The DoD counterdrug program accounts for all associated counterdrug resources, with the exception of Active component military personnel costs. These costs are absorbed within the Total DoD Budget.

II. METHODOLOGY

- All Department of Defense (DoD) counterdrug activities funded through the Central Transfer Account, military department operations (OPTEMPO) dedicated to counterdrug activities, and Military Construction of the counterdrug Forward Operating Locations are scored as 100 percent drug-related. Payroll expenses for active component military personnel are not included in DoD's estimate of drug-related costs, since these costs represent the authorized force structure directly associated with DoD's national defense mission.

III. PROGRAM SUMMARY

- The Department of Defense administers programs that support domestic law enforcement agencies and foreign operational components that have counterdrug responsibilities. The Department's drug control programs support all five Goals of the *National Drug Control Strategy* as explained below.
 - DoD assists community groups by providing drug prevention information and education through the Young Marines Program and outreach programs funded in the National Guard State Plans. These activities focus on providing positive role models and drug awareness education for at-risk youth. In addition, military personnel volunteer in drug abuse prevention programs through various community-based programs.
 - DoD active duty military and reserve components, through Joint Task Force-Six (JTF-6), provide direct support in the form of transportation, equipment, intelligence support, training, and services to Drug Law Enforcement Agencies' (DLEA) requests for domestic, operational, and logistical support to assist them in their efforts to reduce drug-related crime.
 - The Department of Defense provides extensive demand reduction drug testing, and education and awareness programs focused on maintaining military readiness. Additionally, DoD has implemented drug-free workplace programs in all of its agencies.
 - DoD serves as the lead agency of the federal government for the detection and monitoring of aerial and maritime transit of illegal drugs to the United States. Accordingly, the Department of Defense maintains a robust air and maritime surveillance system in the transit zone using airborne and ground based radars; ships and patrol craft; and command and control systems. Extensive intelligence collection and analysis supports operations. DoD also maintains air surveillance using aerostats along the United States Southwest Border. In addition, the Department provides direct support to DLEAs along the Southwest Border. Furthermore, DoD military-to-military cooperation continues with Mexican Army and Navy counterdrug elements.
 - The Department of Defense supports air, ground and riverine counterdrug operations by source nation forces. DoD also supports extensive foreign intelligence collection and analysis programs that aid operations in the cocaine source nations, transit zone interagency operations, and international efforts to interdict cocaine and to arrest drug kingpins and dismantle their organizations. The Department provides training by Special

Operations Forces and infrastructure development to partner nations. DoD also maintains an air surveillance capability in the source zone using the Hemispheric Radar System (HRS) and the Relocatable Over-the-Horizon Radar (ROTHR), as well as surveillance platforms operating from Forward Operating Locations. Such Department of Defense support is critical to ensuring effective counterdrug operations throughout the hemisphere.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as alcohol and tobacco.

- The FY 2001 drug control funding level in support of Goal 1 activities is \$28.5 million. Funding in FY 2001 provides for the military Services and National Guard demand reduction outreach programs. These funds allow the Services and the National Guard to conduct community-based demand reduction outreach programs, and to provide material support to military installations' volunteer programs that use DoD personnel as role models to provide a positive reference to our youth.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- In FY 2001, the Department of Defense will spend \$121.3 million for law enforcement support activities that support Goal 2 of the *Strategy*. This total Goal 2 funding includes:
 - \$6.4 million for Counterdrug (CD) OPTEMPO; \$6.5 million for operational support; \$73.3 million for a portion of the National Guard State Plans that supports domestic drug law enforcement efforts outside the Southwest Border and Puerto Rico; \$6.5 million for Multi-Jurisdictional Task Force in Florida; \$7.5 million for the Counterdrug Center at Volpentest HAMMER in Washington State; \$4.2 million for the Regional Counterdrug Training Academy; and \$3.0 million for the Northeast Regional Counterdrug Training Center.
 - Requests for support from Drug Law Enforcement Agencies (DLEAs) within the High Intensity Drug Trafficking Areas (HIDTAs) receive highest priority. The National Guard provides assistance in accordance with the 50 States and 4 Territories Governors' Counterdrug Plans that support federal, state, and local DLEAs.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The FY 2001 program includes \$74.2 million for Goal 3 activities which support extensive demand reduction drug testing, and education and awareness programs focused on maintaining military readiness and maintaining a drug-free workplace environment in its civilian agencies.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The FY 2001 program includes \$471.9 million for interdiction activities that support Goal 4 of the *Strategy*. Total funding for Goal 4 activities includes:
 - \$114.8 million for CD OPTEMPO; \$145.2 million for detection, monitoring and interdiction programs (ocean-going surveillance ships, Virginia and Texas ROTHr, aerostats, Hemispheric Radar System, and E-2 support); \$71.3 million for C4I programs; \$41.9 million for operational support, which includes support to Mexico, Joint Task Force-Six (JTF-6), military reserve support programs, and patrol coastal ships' detection and monitoring operations; \$11.8 million for Research, Development, Test and Evaluation (RDT&E) projects and \$64.1 million for a portion of the total National Guard State Plans that supports domestic law enforcement efforts along the Southwest Border.
 - Transit zone interdiction operations provide a critical line of defense that has supported law enforcement agencies in seizing more than 125 metric tons of cocaine each year. Additionally, extensive intelligence and training support is provided to participating nations and law enforcement.
 - Requests for support from DLEAs along the Southwest Border receive high priority. Active duty personnel, the National Guard and other reserve components provide direct support in the form of transportation, equipment, intelligence support, training, and services.

Goal 5: Break foreign and domestic drug sources of supply.

- The FY 2001 program includes \$351.3 million for intelligence activities and support to participating nations that support Goal 5 of the *Strategy*. This funding includes:
 - \$50.3 million for CD OPTEMPO; \$64.9 million for C4I programs; \$77.8 million for surveillance platforms, radars, and Forward Operating Locations; \$7.1 million for intelligence programs; \$87.5 million for operational support; and \$31.6 million for National Guard marijuana eradication efforts.
 - Support for Plan Colombia remains DoD's priority in the source zone. This support includes ground interdiction (train and equip two Counternarcotics Battalions and Brigade Headquarters), air interdiction, and infrastructure development. In addition, the Department's extensive foreign intelligence collection and analysis programs, along with its air surveillance program, have contributed significantly to the arrest of drug cartel members, the disruption of drug movements, and the dismantling of these drug organizations' infrastructures.
 - DoD's support to source and transit zone nations' interdiction programs and assistance in operational planning has successfully expanded host nation capabilities. In providing this support to source nations, the Department of Defense utilizes E-3 and Tracker aircraft, and operates ground radars, and a ROTHr surveillance radar based in Puerto Rico.

FY 2002 Significant Program Changes

- The proposed FY 2002 drug control budget request for the Department of Defense is preliminary, pending an overall strategy review by the Secretary of Defense. The review is scheduled for completion by mid-April 2001. A final funding proposal for the DoD budget will be published in May 2001.

V. PROGRAM ACCOMPLISHMENTS

Accomplishments Relative to Goal 1:

- The Department of Defense provides extensive training to deter and reduce the use of illegal drugs among DoD dependant youths. Training included, but was not limited to, youth and parent counseling, anti-drug education, parenting skills, and drug dependency evaluation and treatment.
- DoD also provided mentoring, anti-drug education, and alternatives to drug abuse to non-Department of Defense at-risk youth through programs administered by the National Guard and military Reserve units. The Guard demand reduction programs reached more than 18 million people in FY 2000. Program support included DARE, Drug Education For Youth (DEFY), Adopt-A-School, and Lunch-Buddy, which provide military mentors, tutors, and role models to at-risk youth.
- The Department provided support to the Young Marines Program. Approximately 14,000 youths between the ages of 8 and 20 participate in year round programs dedicated to leadership, discipline, and goal orientation.

Accomplishments Relative to Goal 2:

- The National Guard supports several training centers with a counterdrug nexus that provide training to interagency personnel. Through the Governor's State Plans, the National Guard supports the National Interagency Counterdrug Institute (NICI), which trained 942 managers and leaders in planning and coordinating interagency counterdrug operations in FY 2000. The Regional Counterdrug Training Academy (RCTA), located at the Naval Air Station in Meridian, Mississippi, provided tactical/street level counterdrug training for 619 personnel. The Multi-Jurisdictional Counterdrug Task Force Training program, located in St. Petersburg, Florida, provided interagency task force training and instruction on demand reduction issues for over 122,000 persons in FY 2000. The Northeast Counterdrug Training Center (NCTC), located at Ft. Indiantown Gap, PA provided training to approximately 3,811 law enforcement officers and demand reduction professionals.
- National Guard forces provided over 3,000 transportation missions, over 40,000 aviation flight hours, 88 Engineer operations workyears and over 1,000 intelligence support workyears.
- The Department of Defense transferred more than \$298 million of excess equipment to DLEAs, including over 2,223 vehicles and 12 aircraft.

Accomplishments Relative to Goal 3:

- DoD supported aggressive drug testing for military and Department of Defense civilian personnel, and conducted prevention/education activities. Based on the two million-plus specimens tested, the average active duty military drug-testing rate is approximately 170 percent. The annual drug positive rate for FY 2000 was only 0.7 percent for active duty military personnel compared to over 3 percent for the general public.

Accomplishments Relative to Goal 4:

- Continued and dramatically expanded interdiction success was achieved in FY 2000, as the result of improved intelligence analysis and operational planning against Eastern Pacific maritime smuggling operations under Operation CAPER FOCUS. Transit zone interdiction operations continued to be the critical line of defense, resulting in substantial cocaine removal in the Caribbean (>38 MTs) and Eastern Pacific (>87 MTs). On the international front, tripartite planning initiatives to coordinate multi-lateral and multi-agency planning for counterdrug operations in the transit zone expanded and were very successful in Belize, Honduras, and UK Territories. The Relocatable Over-the-Horizon Radar, in conjunction with other airborne assets, continues to deny efficient air smuggling to transit zone traffickers. Air activity is at an all-time low with less than 10 percent of the smuggled cocaine departing South America by air. Also, in FY 2000 military cooperation efforts in counterdrug matters between the United States and Mexico continued.
- Joint Task Force-Six (JTF-6) provided approximately 700 workyears in support of deterring drug smuggling into the United States. This support included operations, intelligence, aviation, linguistics, transportation, training, maintenance, and engineering skills. Both active duty and reserve component forces support JTF-6.
- The Army and Air National Guard assisted in 6,534 seizures at U.S. Ports-of-Entry during FY 2000. Their efforts assisted in the seizure of over 22,000 Kg of cocaine and over 62,000 Kg of Marijuana.

Accomplishment Relative to Goal 5:

- The major focus of DoD's support to Plan Colombia was to train and equip a 2,900-person Counternarcotics Brigade. The initial geographical focus of the Brigade is in the department of the Putumayo in southern Colombia where the majority of the illegal coca crop is cultivated. The second Battalion in the brigade completed training by Special Operations Forces units in December 2000, and, along with the first Battalion (which completed training in 1999), is now operational. The third Battalion began training in January 2001.
- Additionally, new, comprehensive interdiction operations in the source nations were initiated in FY 2000. In the critical cultivation region of southern Colombia, the Colombians will have in place all the necessary systems to deny critical air smuggling. To this end, the Department of Defense is assisting Colombia in upgrading their air interdiction platforms, and command and control. Initial operations of the ROTHF in Puerto Rico in FY 2000, and the continued support of tracking aircraft also significantly enhanced air interdiction

capability. Engaging and denying this air smuggling threat can have a major impact on the entire cocaine industry. Along with establishing the Counternarcotics Battalions and Brigade Headquarters, this effort will provide the opportunity for the first time ever to significantly dismantle the cocaine industry east of the Andes—the heart of the U.S. supply of cocaine.

- The Department of Defense continues to deploy intelligence analysts to key cocaine production and transit countries to assist DEA and the country team in planning and executing major counterdrug cases. Analytical deployments, critical assessments of cocaine flows, essential cueing for maritime and air smuggling operations, and major initiatives against cocaine organizations throughout the hemisphere are leading to numerous operational successes. In FY 2000, twenty-seven narco-trafficking aircraft were destroyed/seized in Colombia alone, and in excess of 90 MTs of cocaine HCL and base were seized in South America.
- The Department of Defense provided aviation support for Weedeater operations in the Caribbean. These operations, designed to eradicate marijuana, resulted in the destruction of over 7.5 million marijuana plants and almost 400,000 pounds of cured marijuana. These seizures had an estimated street value of close to \$6 billion.

DEPARTMENT OF EDUCATION

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$598.037	\$633.188	\$633.188
Drug Resources by Function			
Prevention	\$598.037	\$633.188	\$633.188
Drug Resources by Decision Unit			
Office of Elementary and Secondary Education			
Safe and Drug-Free Schools ¹	\$594.758	\$629.008	\$629.008
Program Administration	<u>3.279</u>	<u>4.180</u>	<u>4.180</u>
Total	\$598.037	\$633.188	\$633.188
Drug Resources Personnel Summary			
Total FTEs (direct only)			
Information			
Total Agency Budget	\$38,445.5	\$42,415.3	\$48,878.4
Drug Percentage	1.6%	1.5%	1.3%

¹ Includes the following drug control amounts for the National Programs component of the Safe and Drug-Free Schools program: \$155.508 million in FY 2000; \$189.758 million in FY 2001; and \$81.758 million in FY 2002.

II. METHODOLOGY

- The Safe and Drug-Free Schools (SDFS) program authorizes activities to prevent drug use and violence by youth. For purposes of estimating the Department of Education's drug control budget, the Department scores 100 percent of SDFS State Grants funds and most of SDFS National Programs funds. This estimate is based on the following assumptions and facts:
 - A variety of violence prevention activities funded under the program can significantly support drug prevention;
 - Most SDFS funds support activities that jointly address drug prevention and violence prevention, or for which grantees have the flexibility to allocate their resources between drug prevention and violence prevention activities; and,
 - The Department cannot identify the amount of all SDFS funds that support drug prevention, exclusive of the funds that support school safety and violence prevention efforts with no drug control nexus.

- The amount of SDFS funds excluded from the Department's drug control budget (i.e. \$5.2 million in fiscal year 2000 and \$15.2 million in fiscal years 2001 and 2002) is based on the funding level estimated each year for specific SDFS National Programs activities that exclusively support school safety and violence prevention efforts that reasonably have no drug control nexus.
- In addition to SDFS program funding, Education's drug control budget includes program administration funding based on the personnel compensation, benefits, travel, contracts and supplies, and overhead costs for the full-time equivalent staff who administer the SDFS program.
- As displayed, the methodology used by the Department of Education to estimate drug control resources reflects changes made since last year to account more accurately for drug-related prevention and treatment funding. The changes proposed by the Department of Education, and approved by ONDCP, include the exclusion of the Vocational Rehabilitation State Grants Program and the National Institute on Disability and Rehabilitation Research from the drug control budget. Both of these programs are focused on the vocational rehabilitation of disabled individuals and have only a weak nexus to drug treatment or treatment research. In addition, a minor change in the methodology for scoring the National Programs component of the SDFS program was made. Funding for activities under the National Programs that can be identified as exclusively supporting school safety or violence prevention is now excluded from the drug control budget.
- The implementation of this revised methodology resulted in reductions to Education's past and present drug budgets. For FY 2000, the changes reduced the amount attributed to Education's drug control programs by approximately \$100 million.

III. PROGRAM SUMMARY

- The Department of Education administers programs to improve and expand elementary and secondary education, special education and early intervention programs for children with disabilities, bilingual education, vocational and adult education, and higher education. In addition, Education carries out research, data collection, and civil rights enforcement activities. Education's drug control activities fall under Goal 1 of the *Strategy*.

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The SDFS program supports activities to prevent drug use and violence by youth. In fiscal years 2000 and 2001, funds were appropriated directly for State Grants and for National Programs. Under the Administration's proposal for the reauthorization of the Safe and Drug-Free Schools (SDFS) Act, the Safe and Drug-Free Schools program would be streamlined to more effectively provide students with drug and violence prevention programs and to implement strategies to improve school safety.
- Recipients of SDFS State Grant funds implement research-based programs of demonstrated effectiveness designed to help create and maintain drug-free, safe, and orderly environments

for learning in and around schools. Funded activities include the development, acquisition, and implementation of drug and violence prevention programs, curriculum, and instruction; student counseling; teacher and staff training; and parent education or involvement.

- SDFS National Programs is a broad discretionary authority that permits the Secretary to carry out activities to promote drug-free, safe, and orderly learning environments for students at all educational levels. Such activities may include programs implemented in conjunction with other federal agencies that support local educational agencies and communities in developing and implementing comprehensive programs that create safe, disciplined, and drug-free learning environments and promote healthy childhood development. Activities have also included recruiting, hiring, and training program coordinators to assist school districts in implementing high-quality, effective, research-based drug and violence prevention programs; other forms of training and technical assistance, demonstrations, and direct services to school districts; developing and disseminating prevention and education materials; and evaluating the effectiveness of drug and violence prevention programs.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The FY 2001 appropriation for the Department of Education includes \$633.2 million for prevention activities that support Goal 1 of the *Strategy*. This includes \$439.2 million for SDFS State Grants, \$189.8 million for SDFS National Programs, and \$4.2 million for program administration.

FY 2002 Significant Program Changes

- The total drug control request for Goal 1 activities for FY 2002 is \$633.2 million, the same as the FY 2001 enacted level. Specific drug control program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- In FY 2000, funded 113 grants to local educational agencies to recruit, hire, and train 318 SDFS coordinators to improve the implementation of drug prevention and school safety programs in 602 middle schools.
- In FY 2000, funded 23 new and 54 continuing Safe Schools/Healthy Students projects to provide drug prevention and early intervention services to students as part of a coordinated, comprehensive strategy for promoting healthy childhood development and addressing the problems of school violence and drug abuse.
- Concluded and released the results of a Department-sponsored Expert Panel on Safe, Disciplined, and Drug-Free Schools that identified 42 promising and exemplary programs to prevent youth drug use and violent behavior.

- Disseminated 50,000 copies of the Department's drug prevention newsletter, *The Challenge*, to teachers, teacher-parent organizations, school administrators, and other drug prevention professionals four times a year.
- Supported a training and technical assistance center to strengthen and disseminate information about drug prevention programs for students at institutions of higher education and funded direct grants to institutions of higher education for model drug and alcohol prevention programs for this population.
- Supported the design and administration of a random sample national probability survey of college students' alcohol and other drug use and their perceptions of their college peers' behavior regarding alcohol and other drugs.
- Supported a national random survey of college senior administrators to identify the level and nature of alcohol, other drug, and violence prevention activity on campuses, and to assess needs on campuses for technical assistance or other services.
- In conjunction with the Department of Justice, supported alcohol, tobacco, and other drug and violence prevention activities in school-based or community-based settings implemented by police officers supported by the Community Oriented Policing Services (COPS) program.

ADMINISTRATION FOR CHILDREN AND FAMILIES

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$47.836	\$48.831	\$48.831
Goal 3	<u>11.572</u>	<u>11.571</u>	<u>11.571</u>
Total	\$59.408	\$60.402	\$60.402
Drug Resources by Function			
Prevention	\$47.836	\$48.831	\$48.831
Treatment	<u>11.572</u>	<u>11.571</u>	<u>11.571</u>
Total	\$59.408	\$60.402	\$60.402
Drug Resources by Decision Unit			
Abandoned Infants Assistance	\$10.010	\$10.008	\$10.008
Community-Based Resource Centers	6.567	6.567	6.567
Head Start	30.000	30.000	30.000
Runaway and Homeless Youth Programs	<u>12.831</u>	<u>13.827</u>	<u>13.827</u>
Total	\$59.408	\$60.402	\$60.402
Drug Resources Personnel Summary			
Total FTEs (direct only)	1	1	1
Information			
Total Agency Budget	\$36,403.6	\$42,905.5	\$45,853.0
Drug Percentage	0.2%	0.1%	0.1%

II. METHODOLOGY

- The methodology used to calculate ACF drug control resources is based on the professional judgment of program officials. Although ACF grantees serve populations that have drug abuse prevention and treatment needs, ACF funding is not specifically earmarked for drug control purposes and ACF grantees are not required to spend specified amounts of grant funding on drug abuse prevention and treatment services. Currently, ACF does not collect statistical data on the amount of funding grantees spend on drug abuse prevention and treatment services or the number of individuals served. ACF's estimates of drug control resources are based on a general knowledge of the prevalence of drug abuse problems in the populations served and knowledge of the types of services provided by ACF grantees to children and families. The following programs are identified as having a drug control nexus and are scored as follows:

Program	Methodology
Abandoned Infants program	100% of Program Budget
Head Start (Family Service Centers)	100% of Program Budget
Community-Based Resource Centers	20% of Program Budget
Runaway and Homeless Youth Centers programs	20% of Program Budget

- The drug budget methodology employed for the *FY 2001 Budget Summary* also included a line item for the Head Start/Free to Grow project, which was scheduled to start in FY 2000. The Free to Grow project was delayed until FY 2001 and then finally omitted, as it was never funded.
- ACF identified several issues in its *FY 1999 Annual Accounting of Drug Control Funds* that highlighted the need to revisit its drug budget methodology. Although the drug budget methodology for ACF presented in this volume is substantially unchanged from prior years, ACF and ONDCP will work during FY 2001 to develop a methodology that more accurately captures costs that are directly related to drug abuse prevention and treatment. ONDCP anticipates that the drug control resources reflected for ACF will change as a result of these methodological modifications.

III. PROGRAM SUMMARY

- ACF is responsible for programs that promote the economic and social well being of families, children, individuals, and communities. Drug use and abuse are barriers to ACF performance measurement goals of providing healthy development, safety, and well being of children and youth. ACF's overall strategy is to combat drug use and abuse by focusing efforts on hard-to-reach and at-risk populations in the context of the broad, comprehensive service programs. ACF's target populations are:

Youth

- Adolescent populations, such as runaway and homeless youth and school-age children and youth in areas of significant poverty, juvenile delinquency, and crime, are tragically vulnerable and at high risk of alcohol and illicit drug use.

Families and Children

- Families and children in crisis, often due to child abuse and neglect associated with substance abuse, are ACF's priorities. Abandoned infants of substance abusing or HIV/AIDS infected parents are also a primary at-risk population.
- ACF administers four drug-related programs, which indirectly address Goal 1 and Goal 3 of the *Strategy*. These include the following prevention and treatment activities: Abandoned Infants Assistance program, Head Start/Family Service Centers, Community-Based Resource Centers program, as well as Runaway and Homeless Youth Centers programs. Each of these programs offers a comprehensive approach to identifying the needs of the populations they serve and providing or facilitating early access to treatment and other services.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The FY 2001 enacted level contains \$48.8 million for prevention activities in support of Goal 1 of the *Strategy*.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The FY 2001 enacted level contains an estimated \$11.6 million for treatment activities in support of Goal 3.

FY 2002 Significant Program Changes

- The FY 2002 budget for ACF includes a request of \$60.4 million and 1 FTE for drug control purposes. This request maintains funding at the FY 2001 enacted levels, with no requested drug program enhancements.

V. PROGRAM ACCOMPLISHMENTS

- ACF's prevention and treatment activities will be used to educate and enable America's youth to reject illegal drugs, as well as alcohol and tobacco. Prevention and treatment accomplishments consist of:
 - The Runaway and Homeless Youth Centers programs will work with a number of States and the grantees in those States to implement a collaboration that supports a youth development approach to services to young people and coordination with substance abuse and teen pregnancy prevention activities.
 - The Community-Based Resource Centers will continue to provide a network of public-private partnerships and to develop the continuum of preventive services for children and families. Funds will be used to invest in the kinds of prevention services that are dedicated to supporting families before they go into crisis and risk harming their children.
 - The Family Support Centers will continue to improve the self-sufficiency and functioning of parents of children enrolled in the Head Start program. Funds will support literacy activities, job training, and collaboration with other agencies on substance abuse initiatives.
 - The Abandoned Infants programs and the Community-Based Resource Centers will provide a broad range of community-based intervention services for women who are substance abusing or who may be HIV positive, with infants who have been prenatally exposed to drugs or HIV.

CENTERS FOR DISEASE CONTROL AND PREVENTION

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$98.348	\$103.355	\$103.355
Goal 3	<u>71.027</u>	<u>74.827</u>	<u>74.827</u>
Total	\$169.375	\$178.182	\$178.182
Drug Resources by Function			
Prevention	\$169.375	\$178.182	\$178.182
Drug Resources by Decision Unit			
Tobacco Initiative	\$98.348	\$103.355	\$103.355
HIV/AIDS Drug Counseling	<u>71.027</u>	<u>74.827</u>	<u>74.827</u>
Total	\$169.375	\$178.182	\$178.182
Drug Resources Personnel Summary			
Total FTEs (direct only)	89	92	92
Information			
Total Agency Budget	\$3,341.5	\$4,198.4	\$4,089.0
Drug Percentage	5.1%	4.2%	4.4%

II. METHODOLOGY

- The Centers for Disease Control and Prevention (CDC) provides funding to state health departments and national organizations to conduct tobacco use prevention and control programs. These programs address the Healthy People 2000/2010 objectives related to tobacco, with a particular focus on preventing tobacco use among youth. State tobacco control programs assist and support local communities to undertake tobacco control activities, conduct media and educational campaigns, support training on tobacco topics, and monitor changes in tobacco use behaviors.
- CDC also provides HIV prevention funding to state and local health departments and education agencies, community-based organizations, minority-based organizations, national organizations, universities, and hospitals targeted to populations at high risk for HIV, including injecting drug users (IDU's). A portion of health department funding supports HIV counseling and testing, including partnership notification activities for those infected with HIV, including IDUs.
- The decision on the amount of this funding awarded to each state was formerly the responsibility of CDC, based upon need documented in each state's grant application. However, with the implementation of CDC's HIV prevention community planning process, the decision on how HIV prevention resources (including those targeting drug users) are distributed within a particular state or community is now made by the HIV prevention

community planning council located in each state. Community planning groups are responsible for developing comprehensive HIV prevention plans that are directly responsive to the epidemics in their jurisdictions.

- This methodology, although supported by some data, is based primarily on professional judgment and reflects a conservative estimate of HIV prevention activities, which target IDUs.

III. PROGRAM SUMMARY

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- CDC serves as the focal point for the Department of Health and Human Service's smoking prevention activities and plays a leadership role in implementing and coordinating strategic efforts to prevent and reduce the use of tobacco and to protect nonsmokers. Current efforts include: (1) providing funding to all 50 states, the District of Columbia, territories and tribal entities to build capacity to sustain comprehensive tobacco control programs; (2) coordinating national health communication campaigns to educate the public on the health hazards of tobacco use and to denormalize smoking among young people; (3) conducting tobacco control surveillance and research; and (4) producing the Surgeon General's Reports on the Health Consequences of Smoking and Smokeless Tobacco. In addition, CDC continues to expand the knowledge of the health risks of nicotine, additives, and other potentially toxic compounds in tobacco through research in CDC's Air Toxicants Lab.
- CDC's efforts to build a comprehensive tobacco prevention and control program related to young people rest on its ability to provide the public, health professionals, and policymakers with the most up-to-date scientific information on the following: health effects of tobacco use; methods of counteracting the glamorization of tobacco use that occurs in the mass media; and the coordination strategic efforts to prevent and control the use of tobacco.
- CDC conducts surveillance of tobacco-use behaviors, analyses of the predictors of use and indicators of addiction, and policy-related research to better understand the factors that influence tobacco use in young people and to develop appropriate interventions. These findings are published in CDC's Morbidity and Mortality Weekly Report, refereed journals, and reports such as the Surgeon General's Reports on the Health Consequences of Smoking.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- In the early 1990s, CDC implemented HIV prevention community planning throughout the United States. This process allows HIV prevention community groups, using surveillance data, to distribute HIV/AIDS prevention resources to address the specific HIV/AIDS prevention needs of their communities. CDC also directly funds community based organizations for HIV/AIDS prevention activities. Congressional language included with the FY 1999 increase in funds directed that funding be used for (1) directly funded minority community based organizations in African-American communities; (2) community development grants to integrate HIV, STD, TB, and substance abuse prevention, treatment,

and care in African-American communities; (3) technical assistance to directly funded minority community based organizations; (4) faith based initiatives in African-American communities; (5) perinatal AIDS prevention; and (6) demonstration projects to integrate HIV, STD, and reproductive health programs.

- CDC's National Center for HIV, STD, and TB Prevention administers several drug-related HIV prevention activities. Funds directed to the injecting drug users support HIV counseling, testing, referral and partner notification services for injecting drug users in drug treatment centers, and other facilities and health education/risk reduction efforts directed to injecting drug users not in treatment.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- The drug-related portion of CDC's FY 2001 appropriation totals \$178.2 million and 92 FTEs for prevention activities which support Goals 1 and 3 of the *Strategy*.

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The total FY 2001 CDC drug control budget for Goal 1 activities is \$103.4 million and focuses on youth and other tobacco activities. This amount of funding will support CDC's commitment to state-based efforts to conduct comprehensive programs to reduce and prevent tobacco use.
- Resources will support CDC's 50 state National Tobacco Control Program, including the District of Columbia and the territories, through funding organizations that have statewide access to diverse communities. Funding such organizations can help eliminate the disparities in tobacco use among the state's various racial/ethnic population groups. Effective community programs involve people in their homes, work sites, schools, and places of worship and entertainment, civic organizations, and other public places.
- CDC will provide state-of-the-art training and technical assistance nationwide to further empower local governments, schools, coalitions, and national organizations to develop effective initiatives and programs. This will include one-on-one consultations with states and organizations, teleconferences, electronic and print materials distribution, group-training sessions, and other services requested by states and organizations.
- CDC will also conduct national surveillance to monitor state-specific tobacco use, especially among youth and special populations and assess the impact of federal and state initiatives.
- In addition, CDC will support and promote public policies that provide a clear and consistent message commensurate with the harm to public health caused worldwide by tobacco use, including policy research and diffusion of best practices globally.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The total CDC FY 2001 drug control budget for Goal 3 activities is \$74.8 million to support HIV/AIDS counseling and drug-related HIV prevention activities. Based on FY 2000 data from community planning, it is estimated that approximately \$3.8 million of the overall FY 2001 increase will be used for HIV/AIDS prevention activities among injecting drug users.

FY 2002 Significant Program Changes

- The total FY 2002 drug control request for prevention activities supporting Goals 1 and 3 of the *Strategy* is \$178.2 million, the same as the FY 2001 enacted level. Specific drug control program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- Based upon projections using the 1999 Youth Risk Behavior Survey, current smoking prevalence for grades 9 through 12 has decreased from 36.4 percent in FY 1997 to an estimated 34.2 percent in FY 2001.
- Estimates based on the latest counseling and testing data available indicate that the percent of positive HIV tests among drug users tested has remained level at 14.2 percent since FY 1999. The percent of positive HIV tests among the sex partners of drug users tested has also remained level at 1.9 percent since FY 1999.

HEALTH CARE FINANCING ADMINISTRATION

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 3	\$450.000	\$500.000	\$560.000
Drug Resources by Function			
Treatment	\$450.000	\$500.000	\$560.000
Drug Resources by Decision Unit			
Medicaid (Federal Share)	\$360.000	\$400.000	\$450.000
Medicare (Part A)	90.000	100.000	110.000
Total	\$450.000	\$500.000	\$560.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Information			
Total Agency Budget	\$341,360.0	\$376,913.0	\$402,532.0
Drug Percentage	0.1%	0.1%	0.1%

II. METHODOLOGY

- HCFA does not collect data that could be used directly to measure spending associated with drug abuse treatment under the Medicaid or Medicare programs. Hence estimates have been made using studies of claims and various external survey data. The original estimates were generated in 1989 and have been trended forward since that time. The estimates represent direct treatment costs and do not include costs of treating drug-associated medical conditions. The amounts generated in this manner represent rough estimates of drug abuse treatment costs. Specifically, the accuracy of these estimates is limited by:
 - The assumptions made about the data received from the surveys generated externally;
 - The age of the data sources used for the original benchmarking of the estimates; and,
 - The use of an annual growth rate, which assumes that drug abuse treatment spending grows at a rate comparable to the growth rate of the Medicaid and Medicare programs at large.
- Medicaid drug abuse treatment estimates were developed using several sources of data and information. On the hospital side, estimated spending was developed from work completed at the Research Triangle Institute using data from the 1983 National Hospital Discharge Survey. For non-hospital costs, the 1987 National Drug and Alcoholism Treatment Unit Survey (NDATUS) data was used in conjunction with data from the 1988 National Household Survey on Drug Abuse. An adjustment was made to account for the fact that

Medicaid costs in non-hospital-based facilities are limited by the current exclusion from coverage of most individuals in Institutions for Mental Disease (IMD).

- Medicare, Part A, drug abuse treatment estimates were developed from the Medicare Provider Analysis and Review files using Diagnostic Related Groups (DRGs) associated with alcohol/drug abuse. The proportion of the resulting costs associated with drug abuse was estimated using data from the 1987 NDATUS. Medicare, Part B, drug abuse treatment estimates cannot be developed at this time, because procedure codes do not permit identification of drug-related claims.

III. PROGRAM SUMMARY

Medicaid

- Treatment costs reflect estimates of both the hospital and non-hospital treatment costs under Medicaid. Medicaid-eligible individuals requiring drug abuse treatment can receive all covered hospital and non-hospital services to treat their condition. Medicaid drug treatment expenditures are primarily for care received in hospitals and in specialized (free standing) drug treatment facilities.
- Under current law, states must pay for the inpatient, outpatient, and physician services for eligible persons, and at the option of the states, clinic and rehabilitative services under Medicaid. The primary limitation on using Medicaid drug treatment is that it cannot pay for any recipients aged 22-64 in large, inpatient psychiatric facilities defined as Institutions for Mental Diseases (IMDs).

Medicare

- Medicare-eligible individuals requiring drug abuse treatment can receive all covered hospital and some non-hospital services necessary to treat their condition. Treatment costs reflect estimates of only the Hospital Insurance (Part A) treatment costs for Medicare.
- Medicare primarily covers inpatient hospital treatment of episodes of alcohol or drug abuse, as well as some medically reasonable and necessary services in outpatient settings for the continued care of these patients. Treatments for alcoholism covered by Medicare include diagnostic and therapeutic services in both inpatient and outpatient settings. Medicare-covered treatments for drug abuse include detoxification and rehabilitation in an inpatient setting.
- Medicare generally will not cover exclusively preventive care, such as education and counseling, but rather pays for such services only as they relate to a specific treatment episode for alcohol or drug abuse.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The FY 2001 enacted drug control budget request includes \$400 million for Medicaid enrollees, an increase of \$40 million over FY 2000 levels. All funding is in support of drug abuse treatment.
- The FY 2001 enacted drug control budget for Medicare Part A is \$100 million, an increase of \$10 million over the enacted FY 2000 level. This increase is associated with increased numbers of Medicare-eligible individuals requiring drug abuse treatment.

FY 2002 Significant Program Changes

- The total drug control request for treatment activities for FY 2002 is \$560 million, a net increase of \$60 million over FY 2001. The FY 2002 request reflects continued programmatic growth in the Medicaid and Medicare programs.

V. PROGRAM ACCOMPLISHMENTS

- The Health Care Financing Administration continues to meet the challenges of providing drug abuse treatment care to eligible Medicaid and Medicare patients.

HEALTH RESOURCES AND SERVICES ADMINISTRATION

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 3	\$41.600	\$45.800	\$45.900
Drug Resources by Function			
Treatment	\$41.600	\$45.800	\$45.900
Drug Resources by Decision Unit			
Ryan White CARE Act	\$41.600	\$45.800	\$45.900
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Information			
Total Ryan White Budget ¹	\$842.5	\$926.2	\$926.2
Drug Percentage	4.9%	4.9%	5.0%

¹ Parts A and B (Titles I and II of the CARE Act) only and excludes funds set aside for state AIDS Drug [pharmaceuticals] Assistance Program (ADAP) in Part B (Title II).

II. METHODOLOGY

- The Health Resources and Services Administration (HRSA) does not directly budget resources for drug abuse treatment. However, a portion of the funding provided under the Ryan White Comprehensive AIDS Resources Emergency (CARE) Act is spent to support the provision of health care services for persons with AIDS, who are also drug addicted and in substance abuse treatment settings. These amounts are reported by Part A (Title I) and Part B (Title II [excluding the AIDS Drug Assistance Program (ADAP)]) grantees as part of an Annual Administrative Report. The amounts reported above for drug abuse treatment are based on the preliminary reports submitted by grantees for their budget year ending in February 2001. Final reports are due in April 2001. An estimate for Part C (Title III) grantees is not included, as grantees do not specifically report information in this category for drug abuse treatment.
- The methodology outlined above and used this year to estimate HRSA's drug control resources reflects a change from last year. The drug methodology used last year to estimate drug control resources reported six percent of the amounts appropriated for Parts A, B, and C (Titles I, II [excluding ADAP], and III) of the Ryan White CARE Act. Although this change is pending final ONDCP approval, HRSA's drug resources are reported using the new methodology in an attempt to reflect the most accurate drug control estimates. Once approved, HRSA's historical data series will be adjusted to reflect the new methodology for fiscal years 1991 through 1999.

III. PROGRAM SUMMARY

- HRSA's Ryan White Funds support state and locally administered programs that provide a network of health care and support services in cities and states for persons living with HIV infection and AIDS, especially the uninsured who would otherwise be without care.
- Ryan White Care Act grants for Parts A and B (Titles I and II) provide for a broad range of health care services. Grantees either contract with or provide sub-grants to providers for the provision of these services, which would include support to persons with HIV/AIDS who are either substance abusers or in substance abuse treatment/counseling programs. This can be further defined as the provision of treatment and/or counseling to address substance abuse (including alcohol) problems provided in an office-based health service or residential health service setting.
- Specifically, funds are used as follows:
 - Title XXVI, Part A (Title I) funding provides substantial emergency resources to cities facing high HIV/AIDS caseloads, to sustain and develop systems of care that emphasize a continuum of services and reduce inpatient burdens. Grant awards are for outpatient and ambulatory health and support services to eligible metropolitan areas. These support services are intended for low income/under-insured people living with HIV/AIDS but are available for people of all means. The resources would provide access to community-based outpatient medical care for people with HIV/AIDS who do not currently receive adequate care in the 51 metropolitan areas eligible for FY 2002 funds.
 - Title XXVI, Part B (Title II) funding enables states to improve the quality, availability and organization of health and support services for individuals with HIV disease and their families more broadly throughout each state. It authorizes formula grants to states and territories for the operation of HIV service delivery consortia in the localities most affected by the epidemic, provision of home and community-based care services for individuals with HIV/AIDS, continuation of health insurance coverage for low-income persons with HIV/AIDS, and treatments that have been determined to prolong life or prevent serious deterioration of health for low-income individuals with AIDS.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The FY 2001 drug-related resources for HRSA of \$45.8 million represents an estimated 4.9 percent of the total enacted for Titles I and II of the Ryan White programs (\$926.2 million). HRSA anticipates that this amount will be used for direct health care of persons with HIV/AIDS in substance abuse treatment settings.

FY 2002 Significant Program Changes

- The FY 2002 drug-related resources for HRSA of \$45.9 million represents an estimated 5 percent of the total requested for Titles I and II of the Ryan White programs (\$926.2 million). This amount will be used for direct health care of persons with HIV/AIDS in substance abuse treatment settings.

V. PROGRAM ACCOMPLISHMENTS

- As of June 2000, 29.3 percent (12,776) of the total AIDS cases for adults, adolescents, and mothers with/at risk for HIV infection reported to CDC between July 1999 and June 2000 (43,517) were in the exposure category of injecting drug users or those who have sex with injecting drug users. The cumulative total reported in this category, 270,721, is 35.9 percent of the total cumulative reported AIDS cases (753,907).
- As of June 2000, 13.3 percent (3,580) of the total cases of HIV infection who have not developed AIDS for adults, adolescents, and mothers with/at risk for HIV infection reported to CDC between July 1999 and June 2000 (21,794) were in the exposure category of injecting drug users or those who have sex with injecting drug users. The cumulative total reported in this category, 31,635, is 24.3 percent of the total cumulative reported cases (130,352).

INDIAN HEALTH SERVICE

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$3.674	\$12.014	\$12.263
Goal 3	<u>41.600</u>	<u>56.308</u>	<u>57.471</u>
Total	\$45.274	\$68.322	\$69.734
Drug Resources by Function			
Prevention	\$3.674	\$12.014	\$12.263
Treatment	<u>41.600</u>	<u>56.308</u>	<u>57.471</u>
Total	\$45.274	\$68.322	\$69.734
Drug Resources by Decision Unit			
Alcohol and Substance Abuse	\$42.035	\$64.955	\$66.306
Urban Indian Health Programs	<u>3.239</u>	<u>3.367</u>	<u>3.428</u>
Total	\$45.274	\$68.322	\$69.734
Drug Resources Personnel Summary			
Total FTEs (direct only)	110	110	110
Information			
Total Agency Budget	\$2,390.7	\$2,628.8	\$2,686.8
Drug Percentage	1.9%	2.6%	2.6%

II. METHODOLOGY

- In preparing the Agency's drug control budget, the Indian Health Service (IHS) includes the appropriation for Alcohol and Substance Abuse (excluding the amount designated as Adult Treatment) and the portion of the Urban Indian Health appropriation that is provided for alcohol and substance abuse prevention and treatment.
- Those items identified as primarily treatment activities include Regional Treatment Centers (RTCs), Community Rehabilitation/Aftercare, Gila River, Contract Health Services, Navajo Rehabilitation Program, Urban Clinical Services, and Expand Urban Programs. The prevention activities include Community Education and Training and Wellness Beyond Abstinence.

III. PROGRAM SUMMARY

- The IHS provides comprehensive health services to American Indians and Alaska Natives, while also providing the opportunity for maximum tribal involvement in developing and managing these programs. Tribes operate approximately 95 percent of alcohol and drug abuse programs under self-determination agreements. This allows tribes wide latitude to set objectives and design programs. Accordingly, while all programs are engaged in activities

that are aligned with the *Strategy* to some degree, the IHS cannot direct programs to meet federal objectives, targets, and measures. In general, the IHS-funded drug control activities fall under Goals 1 and 3 of the *Strategy*.

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- As part of its broad mandate to provide health care services, the IHS supports substance abuse treatment and prevention services. The Alcoholism and Substance Abuse Program within the IHS administers anti-drug abuse activities. In addition to the development of curative, preventative and rehabilitative services, these activities include the following:
 - Data development and coordination for measuring the substance abuse and underage alcohol problems among American Indians and Alaska Natives;
 - Programmatic evaluation and research toward developing effective prevention and treatment services;
 - National leadership that focuses on youth treatment, community education, and prevention services for high-risk youth; and,
 - Services for developmentally disabled.
- Many community programs are committed to the Goal 1 objectives, but will not monitor the specific targets and measures identified in ONDCP's *Performance Measures of Effectiveness*. Some examples of community efforts that are geared towards Goal 1 are:
 - The Chemical Dependency Management Information System (CDMIS). This HIM software is now available to all the Areas of the Indian Health Service.
 - The Evaluation of the Adolescent RTCs and the Evaluation of the Effectiveness of the Indian Health Service Sponsored Alcohol and Substance Abuse Aftercare/Continuing Care Program.

Goal 3: Reduce health and social costs of illegal drug use to the public.

- IHS's operations support the federal drug control priorities by working to ensure continued access to effective treatment programs for those who are in need of treatment services. In addition, IHS supports prevention and education programs that target youth to reduce their use of illicit drugs, alcohol, and tobacco products. For instance, the Indian Health Care Improvement Act Amendments have identified funds for use by Urban Indian Health Clinics to provide treatment, rehabilitation, and education services for Indian youth with substance abuse problems. A Memorandum of Agreement has been established between the Substance Abuse and Mental Health Services Administration (SAMHSA) and IHS to coordinate activities in this regard. Urban Indians will continue to be addressed in the course of present drug control activity within IHS.

- IHS goals and objectives are also consistent with the federal drug control priorities by focusing on community awareness, primary and secondary prevention strategies, collaboration, and services for special population groups.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The IHS is committed to the national agenda to reduce alcohol and drug abuse by using strategies that include:
 - Continued development toward a comprehensive continuum of care encompassing prevention, education, treatment and rehabilitation. Workshops on American Society of Addiction Medicine Patient Placement Criteria are sponsored as part of the Clinical and Preventive Health Leadership Series;
 - Supporting inhalant abuse prevention and treatment initiative training and education to tribal communities in regards to children and young adolescent use;
 - Tobacco cessation activities;
 - Expansion of primary prevention efforts via collaboration with the SAMHSA's Center for Substance Abuse Prevention on the Rural and Remote Culturally Distinct population project and training;
 - Continued enhancement of RTC development and effectiveness; and,
 - Continued expansion of primary prevention efforts via collaboration with the SAMHSA's Center for Substance Abuse Prevention curriculum on community mobilization provider training, i.e. Gathering of Native Americans, Violence Prevention, and Facilitation Skills Development.

Goal 3: Reduce health and social costs of illegal drug use to the public.

- The IHS activities under this Goal are comprised primarily of its treatment activities, which includes a broad multi-discipline approach in treating and identifying inter-related mental health, social, and substance abuse related disorders and a focus on the preservation and regeneration of families.

FY 2002 Significant Program Changes

- The total drug control request for IHS for FY 2002 is \$69.7 million, a net increase of \$1.4 million over FY 2001. The 2002 request will allow the IHS to continue a level of services similar to that provided in FY 2001.

V. PROGRAM ACCOMPLISHMENTS

- Local, community based training workshops and events called “Gathering of Native Americans” (GONA) are being widely adapted throughout Indian country. These workshops and events have been designed, tested, and evaluated in American Indian communities with the help of Indian education, social services and health professionals supported by both the IHS and the SAMHSA’s Center for Substance Abuse Prevention. As a result, there has been a revitalization of community planning interest and capability for treating and preventing alcoholism and substance abuse.
- The certification, training, and hiring of 1,200 counselors have been a major initiative to address counselor competency. The counselor certification and professional licensure rates continue at approximately 85 percent of the program staff.
- Coordination with the Centers for Disease Control and Prevention to fund a tobacco education and training officer and an injury management control officer.
- Primary Care Provider Training is provided to I/T/U primary care providers to enhance professional skills in addiction prevention, intervention and treatment skills. Between 40 and 60 primary care providers receive this training each year.
- The CDMIS is now fully on-line. All areas using CDMIS and those areas that will be reporting CDMIS from other data systems have received training. An integrated version that incorporates both commercial and RPMS data conducive to a behavioral health model of treatment is currently being tested in the Billings Area.
- There are four youth RTCs accredited by the Joint Commission of Accreditation of Healthcare Organizations (JCAHO) and three others that are accredited by Commission on Accreditation Rehabilitation Facilities (CARF). Two others are preparing for accreditation. It is anticipated that all youth RTCs will be accredited in FY 2003.

NATIONAL INSTITUTES OF HEALTH

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$322.012	\$357.582	\$409.517
Goal 3	<u>403.501</u>	<u>467.643</u>	<u>543.332</u>
Total	\$725.513	\$825.225	\$952.849
Drug Resources by Function			
Prevention Research	\$316.036	\$351.247	\$399.277
Treatment Research	<u>409.477</u>	<u>473.978</u>	<u>553.572</u>
Total	\$725.513	\$825.225	\$952.849
Funding Resources by Decision Unit			
NIDA/Office of AIDS Research	\$685.061	\$780.975	\$907.369
NIAAA	<u>40.452</u>	<u>44.250</u>	<u>45.480</u>
Total	\$725.513	\$825.225	\$952.849
Drug Resources Personnel Summary			
Total FTEs (direct only)	370	380	389
Information			
Total Agency Budget	\$977.1	\$1,121.4	\$1,289.3
Drug Percentage	74.3%	73.6%	73.9%

II. METHODOLOGY

- Two institutes within the National Institutes of Health (NIH) contribute to the National Drug Control Budget: the National Institute on Drug Abuse (NIDA) and the National Institute on Alcohol Abuse and Alcoholism (NIAAA). The entire NIDA budget is drug-related. NIDA supports Goal 1, prevention research and Goal 3, treatment research.
- The resources included in NIAAA's drug budget are determined by the level of funding provided for NIAAA applied research on children and youth. This research focuses on underage alcohol use and its consequences. Actual expenditures are summarized for grants and contracts that address pertinent prevention and treatment research topics. Staff costs associated with monitoring these projects are also included. NIAAA is in the process of requesting a modification of its drug budget methodology that would reduce the amount of drug funding reported by the projects that focus on mother's alcohol use/misuse or Fetal Alcohol Syndrome. After ONDCP review, this may affect the future presentation of NIAAA drug-related resources.

III. PROGRAM SUMMARY

- NIDA supports over 85 percent of the world's research on the health aspects of drug abuse and addiction. NIDA's goal is to ensure that science, not ideology or anecdote forms the foundation for all of our Nation's drug abuse reduction efforts. NIDA accomplishes this by supporting a comprehensive research portfolio and an arduous education and dissemination program.
- NIDA's comprehensive and multi-disciplinary research portfolio covers all aspects of drug abuse prevention and treatment. Research serves as the cornerstone of NIDA's efforts to educate and enable Americans, especially our Nation's youth, to reject drugs. Research also serves as the basis for our efforts to decrease the health and social cost of drugs to the American public.
- A variety of effective addiction treatments have been developed as part of NIDA-sponsored research. Both behavioral and pharmacological treatments have been shown to reduce drug abuse, crime and delinquency, and the spread of HIV/AIDS and other infectious diseases that are associated with drug abuse and addiction.
- NIAAA is the lead Institute responsible for research on the causes, consequences, treatment, and prevention of alcohol-related problems. Much of this research focuses on children and youth that consume alcohol prior to age 21.
- For three decades, the NIAAA has provided national leadership in this arena through an integrated, multidisciplinary program of biomedical, behavioral, and epidemiological research. In 1997, NIAAA-sponsored researchers reported that the earlier the age of drinking onset, the greater the likelihood that a child or youth will develop clinically diagnosed alcoholism or otherwise abuse alcohol as an adult. Other research has demonstrated that children who begin to drink at young ages drink more heavily and experience more alcohol-related problems during high school.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

The total drug control budget for NIH's Goal 1 activities for FY 2001 is \$357.6 million, of which, \$313.3 million is for NIDA activities and \$44.3 million is for NIAAA programs. The following programs will be supported by NIDA in FY 2001:

- **Preventing Drug Use among Children and Adolescents: Identifying Risk and Protective Factors.** NIDA dedicates a large portion of its research portfolio to the study of the effects that drug abuse and addictions have on infants, children and adolescents. Prevention serves as a cornerstone of NIDA's children and adolescents research efforts. A particular focus is on the various risk and protective factors in increasing or decreasing the probability that a

child will become addicted. Understanding what determines vulnerability to substance abuse is crucial to developing effective prevention programming. No unique factor determines which individuals will abuse drugs; rather, drug abuse develops as the result of a variety of genetic, biological, emotional, cognitive, and social risk factors that interact with features of the social context. Thus, both individual level factors and social context level factors make an individual more or less at risk for drug abuse and influence the progression from drug use to drug abuse to drug addiction.

- **Eliminating Health Disparities in Racial and Ethnic Groups.** Minority populations are disproportionately affected by the consequences of drug abuse. Accordingly, NIDA is taking extra effort to understand the causes of and contributing factors to these inequalities and working to ensure that minority issues are appropriately addressed and minority populations are adequately represented, not only in NIDA's comprehensive research portfolio, but in our research communities as well.
- **Women's Health.** In past research on drug abuse, as well as other fields of public health, research subjects have been almost exclusively male; as a result little data have been available on women. In recent years, however, NIDA has promoted drug abuse research focusing on the study of women and gender differences. Data from laboratory, field and clinical research are beginning to show gender differences in biological factors in drug abuse, the progression and initiation to drug use and abuse, the antecedents and consequences of drug use and abuse, and prevention and treatment.

The following are among the Goal 1 activities supported by the NIAAA in FY 2001:

- **Preventing Problem Drinking among Youth.** NIAAA funded research often results in data that can lead to prevention of problem drinking. For example, Communities Mobilizing for Change on Alcohol (CMCA) revealed that average communities can be effectively mobilized to significantly reduce youth's access to alcohol. Another currently funded study is testing strategies to reduce off-premise sales to minors. NIAAA is also supporting intervention studies, based on the stages-of-life behavioral-change model, that match prevention strategies to various stages of initiation of drinking and addresses risk/protective factors for alcohol use by young people.
- **Research on College Campuses.** Because of the epidemic proportions that binge drinking has reached on college campuses, hazardous alcohol use among college students is a priority area of research in the NIAAA's youth portfolio. These studies focus on the larger campus community in which drinking occurs, on individual student behaviors, and on groups of students known to engage in hazardous drinking behavior, such as sororities and fraternities.
- **Treatment for Adolescent Problem-Drinkers.** The prevalence of drinking among adolescents clearly indicates the need for research on optimal treatment strategies for youth with alcohol-related problems. As of October 1999, the Institute had funded 14 new grants on adolescent treatment as a result of the ongoing 1998 collaboration with the Center for Substance Abuse Treatment.

Goal 3: Reduce health and social costs to the public of illegal drug use.

The total drug control budget for NIH's Goal 3 activities for FY 2001 is \$467.6 million, of which the entire \$467.6 million is for NIDA activities. The following programs will be supported by NIDA in FY 2001:

- **Improving Drug Abuse Treatment Nationwide: The National Drug Abuse Treatment Clinical Trials Network.** To dramatically improve drug addiction treatment throughout this country and to better bridge the gap between research and practice, NIDA has launched the National Drug Abuse Treatment Clinical Trials Network (CTN). The CTN will more rapidly and efficiently test the effectiveness of behavioral and pharmacological treatments in real life settings. NIDA has established fourteen university-based sites, each of which is affiliated with 10 or more community treatment programs to serve as the major mechanism for moving science-based treatments into practice. The CTN will strive to close the gap that for too long has existed between treatment research and community practice by blanketing the Nation with research nodes that combine treatment research centers and a range of community-based treatment programs. By enabling researchers and practitioners to adapt scientifically-based drug abuse therapies to real-world conditions and demonstrate their effectiveness in community settings, the CTN will foster the incorporation of new interventions into community drug abuse treatment programs across the country. The CTN also will enable researchers to take the practical knowledge gained from clinicians back to the laboratory and apply it to the development of even more practical and effective drug abuse treatments. When fully implemented, NIDA envisions that the CTN will consist of 30-40 Regional Research and Training Coordinating Centers, based in university medical and research centers, and that each Center will be linked in partnership with at least 10 community treatment providers that represent a variety of treatment settings and patient populations available in the region.
- **Developing Anti-Addiction Medications.** NIDA's Medications Development Program plays a major role in our efforts to improve drug abuse treatment nationwide. NIDA is continuing to develop new anti-addiction medications, especially those for stimulants, such as cocaine and methamphetamine. NIDA has already made great progress in bringing quite an array of useful tools to drug abuse professionals to treat addicted individuals, such as the readily available nicotine addiction therapies, the most effective medications to date for heroin addiction, such as methadone and LAAM (levo-alpha-acetyl-methadol, trademark ORLAAM), as well as a new medication, buprenorphine.
- **Developing, Testing, and Disseminating Behavioral Therapies.** NIDA is committed to bringing new behavioral therapies to practitioners. NIDA has made tremendous progress, through the Behavioral Therapies Development Program (BTDP), in developing efficacious behavioral treatments that are showing results that would rival many of the new medications being brought to market for a number of medical illnesses.
- **Understanding the Roles that Genetic and Environmental Factors Play in Vulnerability to Addiction.** Increasing evidence suggests that an individual's genetic makeup is a major factor in determining his or her vulnerability to drug addiction. NIDA supports research aimed at identifying genetic variation that increases vulnerability to addiction.

- **Emerging Drug Trends: Club Drugs and Steroids.** A number of our Nation's best monitoring mechanisms are detecting alarming increases in the popularity of some very dangerous substances known collectively as "club drugs." This term refers to drugs being used by young adults at all-night dance parties such as "raves" or "trances," dance clubs, and bars. MDMA (Ecstasy), GHB, Rohypnol, ketamine, and LSD are some of the club or party drugs gaining popularity. NIDA-supported research has shown that use of club drugs can cause serious health problems and, in some cases, even cause death. Used in combination with alcohol, these drugs can be even more dangerous. NIDA has mounted a major, science-based research initiative, including significant information dissemination efforts directed at increasing understanding of the dangers of these drugs and facilitating prevention and treatment efforts. NIDA is expanding its research about club drugs.

NIDA is also concerned about increasing use of steroids. The Monitoring the Future study, an annual survey of drug abuse among middle and high school students across the country, showed a significant increase from 1998 to 1999 in anabolic steroid abuse among middle schoolers. To curtail this trend, NIDA has launched a national multimedia public education initiative designed to alert the public to the dangers of anabolic steroids.

- **Basic Neuroscience Research.** Advances in neuroscience continue to fuel a rapid revolution of our fundamental understanding of the nature of drug abuse and addiction. More importantly, these advances are also changing public perceptions about addiction as an illness and what to do about it. The growing understanding that addiction is a brain disease expressed as a form of compulsive behavior is having a gradually increasing impact on all aspects of prevention, treatment, and drug policy strategies. Research opportunities will be pursued to develop knowledge about the fundamental mechanisms underlying certain types of complex drug abuse behaviors such as craving, and on the interaction of drugs of abuse and immune function and how this may relate to the clinical course of HIV infection.
- **Health Consequences of Drug Abuse.** Rarely is addiction the only health consequence that results from the use of drugs. There is a strong connection between drug use and other diseases, including hepatitis, tuberculosis, sexually transmitted diseases, other blood-borne diseases, and co-occurring illnesses such as depression, schizophrenia, and other disease manifestations, as well as AIDS. To address the full spectrum of the health issues associated with drug abuse, NIDA has established the Center on AIDS and Other Medical Consequences of Drug Abuse (CAMCODA). Through the projects stimulated and supported by the Center, NIDA will expand its research activities devoted to the medical consequences of drug use and develop appropriate prevention and treatment strategies.
- **Health Services Research.** The importance of health services research has been increasingly recognized by the medical care and public health care professionals as health care costs have skyrocketed and the need to determine the relative cost-effectiveness of various types of health care services has become acute. NIDA health services research priorities include studies of prevention as well as treatment services and drug abuse and HIV prevention services. NIDA supports a program of research on the effectiveness of drug abuse treatment, with a focus on the quality, cost, access to, and cost-effectiveness of care for drug abuse and dependence disorders.

FY 2002 Significant Program Changes

NIH's total drug control request for FY 2002 is \$952.8 million, of which, \$907.4 million is for NIDA activities and \$45.5 million is for NIAAA programs. This represents a net increase of \$127.6 million over FY 2001. The 2002 request includes the following enhancements for NIDA:

- **Prevention Research.** The challenge for the future of prevention research is to ensure that the principles identified in NIDA's *Preventing Drug Use Among Children and Adolescents: A Research-Based Guide* are effectively integrated into community and social systems across the country. Community trials will be initiated to identify and overcome the barriers to successful program implementation. Research will be supported to demonstrate not only that these programs can be implemented, but also to learn how to tailor these programs to an individual community's needs. More research must be conducted to identify the needs of special populations and to develop targeted interventions to meet the specific needs of different groups of youth at risk for drug abuse.
- **Tobacco Research.** NIDA will continue to provide scientific leadership in combating nicotine addiction. NIDA will support research on the treatment of nicotine addiction by focusing on the development of nicotine and non-nicotine replacement medications in combination with behavioral strategies. NIDA and the National Cancer Institute (NCI) will expand their joint initiative to develop trans-disciplinary research centers focusing on the prevention, development, and treatment of nicotine addiction and tobacco related cancers. Additionally, NIDA will team with NCI to launch an initiative that will focus on the development of new treatments for nicotine addiction. Also, NIDA's Adolescent Tobacco Treatment Research Clinic at its Intramural Research Program in Baltimore, Maryland, will continue to recruit patients.
- **Genetics of Vulnerability of Addiction:** NIDA will continue its initiative on *Vulnerability to Addiction*. A major element will be a series of multi-site studies of genetic determinants of vulnerability. Also included will be the study of how individuals progress from their first drug exposure, to regularly abusing drugs, to addiction. This information will provide an important base for better prevention and treatment efforts. By understanding the integration of biological and environmental factors, NIDA will be better poised to prevent and treat drug abuse and addiction.
- **Exploiting Our Neuroimaging Capacity.** Advances in neuroimaging technologies have provided major opportunities to study the neurobiology of drug abuse and addiction in human subjects, and have been extremely useful in clarifying their underlying circuitry and mechanisms. A variety of new technologies have finally enabled the study of brain function in awake, behaving individuals under varied conditions of drug use, drug abstinence, and drug craving. These studies are confirming for humans, concepts and relationships derived from animal models, the only approach previously possible, and revealing new relationships between behavioral states and brain structure and function.
- **Improving Drug Abuse Treatment Nationwide: Expanding The National Drug Abuse Treatment Clinical Trials Network.** NIDA will continue to expand its National Drug Abuse Treatment Clinical Trials Network. As a result of advances in neuroscience and

behavioral science research, there are a number of pharmacological and behavioral treatments for drug addiction that are ready to move into phase III clinical testing. NIDA will expand its clinical trials infrastructure to more rapidly and efficiently test in real-life settings the efficacy of behavioral, psychosocial and pharmacological treatments through large-scale, multi-site clinical trials. NIDA will expand the diversity of the patient population served by the network. When completed, the Network will consist of 30-40 Nodes in regions distributed throughout the country.

- **Club Drugs.** NIDA will increase its research emphasis on club drugs such as LSD and MDMA. NIDA will work to develop new and more effective prevention strategies, as well as work on various treatment approaches for this specific group of drug abusers. Additional research will also be needed to foster the development of an anti-methamphetamine medication, to clarify the long-term neurological and behavioral consequences of the use of this drug, and to continue to study the epidemiological trends of methamphetamine use. Given the emerging data suggesting that MDMA may be neurotoxic in human abusers, increased research efforts will be required to understand and reverse this effect.
- **Prenatal Consequences of Methamphetamine Use.** Given the increasing use rates of methamphetamine, NIDA is mobilizing the scientific community to more thoroughly investigate the potential prenatal effects these drugs may have on children. NIDA is increasing its research portfolio to more closely examine the health and developmental consequences of prenatal exposure to methamphetamine (and methamphetamine analogs such as MDMA), particularly in the child's first three years of life.
- **Medications and Behavioral Therapies.** NIDA will continue to fulfill one of its primary goals of developing and bringing effective and innovative treatment approaches (both pharmacological and behavioral) to the national forefront and into practice. In medication development, NIDA will develop new treatments to counter the effects of stimulants such as cocaine and methamphetamine. Also, building upon the knowledge we have gained from neurobiological studies of addiction, NIDA will expand its efforts to develop novel medications by directing them at newly discovered neurobiologically relevant targets, such as the GABA and glutamate systems. NIDA research has shown that behavioral therapies are effective in treating many addictions. NIDA will continue to assess behavioral treatments to determine what components are the most efficacious.
- **Criminal Justice Treatment.** NIDA is initiating or expanding a number of major nationwide clinical and intervention programs. Included will be a new cross-agency Criminal Justice Treatment Initiative in response to increasing interest in this area. NIDA will encourage researchers to: conduct rigorous scientific study to better understand the types of treatment programs that are now being used at various points while addicted offenders are under criminal justice control; identify the most successful or model programs; and, develop a set of best practice principles from that information about duration, setting, and training to help frame a more effective system of treatment for addicted criminal offenders.
- **Medical Consequences of Drug Abuse.** NIDA is addressing the full spectrum of the health issues associated with drug abuse, including the strong connection between drug use and other diseases, such as hepatitis, tuberculosis, sexually transmitted diseases, and other blood

borne diseases, and co-occurring illnesses such as depression, schizophrenia, and other disease manifestation, as well as AIDS.

- **Transition from Drug Use to Drug Addiction.** We have now learned a tremendous amount about the two extremes of the spectrum of drug abuse -- the acute effects of abused drugs and the state of compulsive, uncontrollable drug taking. However, there remains a tremendous gap in understanding the mechanisms that underlie the actual transition from one state to the other. Understanding this process is a high priority area for NIDA.
- **Neurochemistry of Addiction.** Recent research has shown clearly that brain systems beyond the most frequently studied systems -- the dopamine and endogenous opioid systems -- are critically involved in addiction. Rapid advances in molecular genetic technology and its application are also providing tremendous insights into the roles of various neurochemical systems in drug use and addiction. For example, in just the past few years, the technique of producing genetic knockout strains of mice has been applied to studying the role of over a dozen neurotransmitter receptors affected by drugs of abuse, and has added greatly to our understanding of the ways in which drugs of abuse produce their psychoactive effects and addiction.
- **Bioengineering, Nanoscience and Neuroinformatics.** Bioinformatics or biomedical computing is the application of computer science and technology to address problems in biology and medicine. Biomedical computing encompasses a wide range of applications from information processing (storage, retrieval, and analysis) to modeling biological processes. As computational capabilities and resources continue to develop, the use of computer science and technology by the biomedical community is increasing. The fusion of biomedicine and computer technology offers substantial benefits to all NIH institutes, including NIDA, to improve the quality of the nation's health by increasing biological knowledge.
- **Neurobiology of Development.** There is a great need to better understand the differential effects of drug exposure on the brain during different stages in development. To further this understanding and to exploit the opportunities now provided by the emergence and availability of noninvasive imaging technologies, NIDA will launch a "Neurobiology of Development Initiative." This will allow us to determine the effects of drugs on brain development and plasticity at all ages.
- **Understanding and Preventing Relapse.** Recent research has revealed some of the neurobiological mechanisms that might be centrally involved in causes of drug relapse. The new availability of animal models of stimulus-induced relapse, coupled with recent advances in understanding the neurobiology of emotional memory at the circuit, cell and molecular levels present outstanding opportunities to further understand the brain mechanisms of drug relapse. To take full advantage of these opportunities, NIDA is pursuing an initiative on the neurobiology of relapse. NIDA is also studying the role of stress in relapse.

The 2002 request includes the following enhancements for NIAAA:

- **Implementation of College Drinking Subcommittee Recommendations.** In June 2000, two panels of the NIAAA's National Advisory Council, Subcommittee on College Drinking, met jointly to review two draft panel reports. These panel reports will address developmental issues (general and college-specific), advertising and promotion policies, norm setting, student risk and prevention factors, campus-only and integrated campus-community approaches, and special problems, including athletics, sex, vandalism, and second-hand effects. Recommendations from this report will form the basis for a planned Request for Applications that builds on evaluations of the effectiveness of prevention and treatment interventions currently in use and their outcomes.

V. PROGRAM ACCOMPLISHMENTS

- **Successful Prevention Program Targets Steroid Abuse in High School Athletes.** Anabolic steroid abuse is on the rise among 8th and 10th graders across the country. To counteract this trend, researchers have developed a unique, team-centered, gender-specific steroid abuse prevention program, Adolescents Training and Learning to Avoid Steroids (ATLAS). Evaluation of the ATLAS program in 31 Oregon high school football teams, showed that an athlete's intention to use and actual use of steroids was significantly lower among participants. A program designed for adolescent female athletes, patterned after ATLAS, is currently being tested.
- **New Behavioral Treatments for Marijuana Addiction.** Marijuana is the most frequently used illegal drug in the United States. Despite the growing need for treatment, very few treatments are effective for addressing marijuana addiction. Researchers are now studying whether behavioral therapies that have been shown to be effective for other drugs of abuse work for individuals seeking treatment for marijuana addiction. In a recent study comparing three behavioral treatments, researchers found that individuals who received voucher incentives had higher marijuana abstinence rates after 14 weeks of treatment than those who did not receive vouchers. These results add to the growing evidence that voucher-based incentive programs are an effective method for enhancing treatment outcomes.
- **What causes the pleasurable effects of cocaine?** While the brain chemical dopamine has been found to play an important role in mediating the pleasurable effects of virtually all drugs of abuse, evidence is emerging that other brain chemical systems or neurotransmitters, such as serotonin, may also play a role in causing pleasure. Serotonin is known for its role in regulating body temperature, sleep, sensory perceptions and impulse control. Recent research involving mice indicates that it is the interplay between dopamine and serotonin that contributes to the pleasurable effects of cocaine in these mice.
- **More Evidence that Methamphetamine Produces Long-term Damage to Human Brain Cells.** Researchers have now provided direct cellular evidence that methamphetamine can cause long-lasting injury to the human brain that persists even after drug use has been discontinued. This damage may explain persistent abnormal behaviors, such as violence, psychoses, and personality changes, which are often observed in former abusers months and even years after they have stopped using methamphetamine. These results also indicate that

research efforts should focus not only on the development of treatments for addiction, but also on reversing any abuse-related damage.

- **A Combination of Buprenorphine and Disulfiram Appears Effective in Treating Individuals Addicted to Heroin and Cocaine.** More than 50 percent of individuals addicted to opiates, such as heroin, are also addicted to cocaine. The development of medications for treating these dual addictions is of the utmost importance. A recent study found that participants addicted to both opiates and cocaine who received a combination of disulfiram and buprenorphine abstained from cocaine use for longer periods of time than those who received only buprenorphine. These same participants also achieved three weeks of continuous cocaine abstinence sooner than those who received buprenorphine alone. No significant differences were found in the total weeks of opiate abstinence between the disulfiram/buprenorphine and the buprenorphine-only group. This research also reinforces previous studies that suggest administering disulfiram prior to cocaine inhalation may block the pleasurable and rewarding effects caused by an excessive release of dopamine in the brain after cocaine use.
- **Cocaine High Related to How and How Quickly the Drug Reaches the Brain.** Epidemiological studies suggest that smoked and intravenous (IV) cocaine have greater abuse liability than intranasal cocaine. In some studies, subjects have also reported that smoked cocaine produces a greater “high” than cocaine taken intravenously. The findings suggest that the cocaine “high” is more likely influenced by how fast the drug reaches the brain. Cocaine levels in the brain reached their peak amounts within two minutes for those who smoked, about three minutes for IV, and 15 minutes for the intranasal group, which parallels the reported “high” from the drug. Understanding how a drug produces its subjective effects will aid investigators in their efforts to develop more effective treatments for addiction.
- **Marijuana Ingredient May Promote Tumor Growth.** Researchers found that THC (delta-9-tetrahydrocannabinol), the major psychoactive component of marijuana, may promote tumor growth. The findings suggest that THC promotes tumor growth by inhibiting the body’s anti-tumor immune response. They also suggest that regular use of marijuana may increase the risk of respiratory tract cancer. More studies are needed to better understand the implications of these results.
- **Animals Will Self-administer THC, Marijuana’s Active Component.** This seminal research finally confirms that marijuana has potential for abuse that is at least as strong as that of cocaine and it shares important characteristics with other addicting substances. Researchers have for the first time reliably shown that monkeys will self-administer doses of THC comparable to the amount inhaled by humans while smoking marijuana. Importantly, researchers showed that the animals took THC with the same intensity as a comparison group of animals administering cocaine.
- **Using “Rational” Drug Design Techniques to Search for Possible New Anti-cocaine Medications.** Using new computational methods, researchers have been able to screen large libraries of chemical compounds and identify five possible leads for the development of new

anti-cocaine medications. This technology could be applied to the search for possible medications that target other transporter or receptor systems involved in drug abuse.

- **Ecstasy Tablets May Contain Other Drugs that Can Cause Serious Adverse Reactions.**
A recent analysis of 107 ecstasy tablets received anonymously from across the country found that although most contained some MDMA or one of its derivatives, nearly 30 percent of the tablets tested contained drugs other than MDMA or no drugs at all. The other drug most commonly identified was dextromethorphan (DXM), an over-the-counter cough suppressant, which was found in 23 pills. The amounts of DXM found in the tablets were higher than the usual doses of the drug found in cough syrups. High doses of DXM may contribute to some of the serious adverse reactions attributed to MDMA abuse. In addition, MDMA's presence may compound reactions to DXM because MDMA inhibits the action of an enzyme (cytochrome P450) that plays a critical role in processing and removing drugs like DXM from the body. Physicians and other health care providers need to be alerted to the fact that a patient that appears to be having an adverse reaction to MDMA but does not test positive for the drug may be reacting to DXM.

Highlights of NIAAA Research.

- Preliminary findings from a randomized trial of 3,300 fifth and six graders in a primary care intervention indicated that children who received the alcohol and tobacco intervention were far less likely to initiate alcohol use (by 30-40 percent) than were those in the comparison group. This result also was true for children identified as high risk for alcohol abuse at the beginning of the study, based on family drinking patterns.
- Among a group of 15- to 16-year-old alcohol-dependent children, who also used but were not dependent on other substances, scientists found deficits in memory and the ability to comprehend and conceptualize pictures and other visual cues (visuospatial cognitive function). Adolescents with a history of long-time, heavy drinking had more difficulty remembering and recalling verbal and nonverbal information.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$434.8	\$483.7	\$511.6
Goal 3	<u>1,090.3</u>	<u>1,171.6</u>	<u>1,243.3</u>
Total	\$1,525.1	\$1,655.3	\$1,754.9
Drug Resources by Function			
Prevention	\$434.8	\$483.7	\$511.6
Treatment	<u>1,090.3</u>	<u>1,171.6</u>	<u>1,243.3</u>
Total	\$1,525.1	\$1,655.3	\$1,754.9
Drug Resources by Decision Unit			
Programs of Regional & National Significance	\$361.1	\$431.1	\$471.1
<i>Prevention (Non-add)</i>	<i>(146.7)</i>	<i>(175.0)</i>	<i>(175.0)</i>
<i>Treatment (Non-add)</i>	<i>(214.4)</i>	<i>(256.1)</i>	<i>(296.1)</i>
Substance Abuse Block Grant	1,137.1	1,183.3	1,226.0
<i>Prevention (Non-add)</i>	<i>(220.9)</i>	<i>(230.7)</i>	<i>(241.6)</i>
<i>Treatment (Non-add)</i>	<i>(864.5)</i>	<i>(902.9)</i>	<i>(934.6)</i>
<i>Office of Applied Studies (Non-add)</i>	<i>(51.7)</i>	<i>(49.7)</i>	<i>(49.7)</i>
Program Management	26.9	40.9	28.8
<i>Prevention (Non-add)</i>	<i>(12.8)</i>	<i>(13.6)</i>	<i>(13.6)</i>
<i>Treatment (Non-add)</i>	<i>(11.4)</i>	<i>(12.6)</i>	<i>(12.6)</i>
Office of Applied Studies (Non-add) ¹	<u>(2.7)</u>	<u>(14.7)</u>	<u>(2.7)</u>
Total, BA	\$1,525.1	\$1,655.3	\$1,725.9
Data Collection (1% Evaluation) ²	-----	-----	<u>29.0</u>
Total, Program Level	\$1,525.1	\$1,655.3	\$1,754.9
Drug Resources Personnel Summary			
Total FTEs (direct only)	312	312	312
Information			
Total Agency Budget	\$2,651.3	\$2,957.4	\$3,058.5
Drug Percentage	57.5%	56.0%	57.4%

¹ Office of Applied Studies program management for FY 2001 includes an earmarked allocation within SAMHSA's FY 2001 appropriation of \$12.0 million for the National Household Survey on Drug Abuse (NHSDA).

² The Data Collection line reflects the proposed transfer of funds from the Department of Health and Human Services' 1% evaluation resources in FY 2002. This funding will replace and increase the \$12 million earmarked for the NHSDA within SAMHSA's FY 2001 appropriation for Program Management.

II. METHODOLOGY

- All funding for the Substance Abuse and Mental Health Services Administration's (SAMHSA's) Center for Substance Abuse Prevention (CSAP) and Center for Substance

Abuse Treatment (CSAT) Programs of Regional and National Significance activities is considered to be 100 percent drug-related, and is included in its entirety. The new single budget line, Programs of Regional and National Significance, is consistent with SAMHSA's reauthorization (Children's Health Act of 2000, Part B) and Conference Report 106-1033, Making Omnibus Consolidated and Emergency Supplemental Appropriations for fiscal year 2001. Programs of Regional and National Significance include Substance Abuse Prevention and Treatment Knowledge Development and Application activities, Substance Abuse Prevention and Treatment Targeted Capacity Expansion activities, and the Substance Abuse Prevention High Risk Youth program.

- Funding for the Substance Abuse Prevention and Treatment (SAPT) Block Grant, which is administered by CSAT, is considered drug-related to the extent that these funds are used by the states and territories for the prevention and treatment of illegal drug use and by SAMHSA for technical assistance, data collection, and program evaluation. In addition, a portion of the SAPT Block Grant funding used by states and territories for the prevention and treatment of alcohol use, when administered in combination with other illegal drugs, as well as underage alcohol use, is considered drug-related and included as part of SAMHSA's drug budget. SAMHSA employs a methodology to estimate drug-related expenses funded by the SAPT Block Grant that is consistent with the earmarks required by Public Law 102-321 and the ADAMHA Reorganization Act. This methodology results in the scoring of 71.07 percent of the SAPT Block Grant for drug and drug-related activities. The Children's Health Act of 2000, P. L. 106-310, October 17, 2000, makes significant changes in funding policy for the SAPT Block Grant. However, estimations continue to be based on the previous requirements at this time.
- All funding for SAMHSA's Office of Applied Studies (OAS) substance abuse surveys/data collection activities funded by the SAPT Block Grant set-aside, is considered to be 100 percent drug-related, and is included in its entirety. Five percent of the SAPT Block Grant is required for SAMHSA set-aside activities that support data collection, technical assistance, and program evaluation.
- All reimbursements for OAS substance abuse surveys/data collection activities funded under Data Collection (1 percent evaluation) is considered to be 100 percent drug-related, and is included in its entirety.
- Funding for Program Management activities is considered drug-related to the extent that funds are used to support the operations of CSAP, CSAT, and OAS. Estimates are based on total Program Management budget authority and reflect allocation of program management funds to these components, as documented in internal SAMHSA financial records.

III. PROGRAM SUMMARY

- SAMHSA supports the goals of the *Strategy*, identified below, through a broad range of programs focusing on prevention and treatment of the abuse of illicit drugs. SAMHSA's primary goals are to close the gap between available treatment capacity and demand, to link knowledge gained from research with prevention and treatment practices, and to improve and strengthen national efforts employed by communities, state and local governments, and

provider organizations and systems in the national effort to prevent illicit drug use and provide high quality science-based treatment for those who are in need.

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- Financial support for this goal includes funding for prevention Programs of Regional and National Significance, data collection activities (administered by OAS), and 20 percent of the SAPT Block Grant, as well as program management support for these activities.
- CSAP's prevention programs involve developing and assessing new and emerging prevention methodologies and approaches, collecting, analyzing, and synthesizing prevention outcome knowledge, and monitoring national trends in substance abuse and emerging issues. After field testing promising approaches in knowledge development programs, emphasis shifts to the synthesis and dissemination of the knowledge gained from these final study phases to the practical application of these strategies by states and local communities. Knowledge application programs help substance abuse prevention practitioners and policy makers in states and communities systematically deliver and apply skills, techniques, models, and approaches to improve substance abuse prevention services.
- CSAP's State Incentive Grants (SIGs) are designed to address the specific and immediate prevention service capacity needs within the states and communities. SIG grants represent a comprehensive effort to improve the quality and availability of effective research-based prevention services and help states and communities address and close gaps in prevention services which often cannot be addressed via SAPT Block Grant funding.
- Other CSAP prevention initiatives support testing of a wide variety of interventions to prevent substance abuse among children and youth, focusing in particular on youth that are at high risk for becoming substance abusers and/or involved in the juvenile justice system. In addition, prevention funding also supports limited, but targeted, services in discrete areas of unmet or emerging local needs made apparent from epidemiological data, from local experience, or created as a result of local, state or national social policy change.
- SAPT Block Grant activities include state expenditures of 20 percent of their SAPT Block Grant allotment for primary prevention services as well as at least 20 percent of the SAPT Block Grant set-aside. The latter supports the collection and analysis of national data, the development of state data systems (including the development and maintenance of baseline data on the incidence and prevalence of drug use, as well as the development of outcome measures on the effectiveness of prevention programs), provision of technical assistance, and program evaluations. Also, this program supports oversight of Synar Amendment implementation requiring states to enact and enforce laws prohibiting the sale and distribution of tobacco products to persons under 18 so as to reduce the availability of tobacco products to minors.

Goal 3: Reduce health, welfare, and crime costs resulting from illegal drug use.

- Financial support for this goal includes funding for treatment Programs of Regional and National Significance and 80 percent of the SAPT Block Grant, as well as program management support for these activities.
- CSAT's funding for treatment programs includes activities to bridge the gap between knowledge and practice, promote the adoption of best practices, and assure services meet targeted needs. These treatment programs support knowledge development and testing of new and innovative treatment approaches and are used to disseminate information on those systems shown to be most effective. These resources also support a network of regionally-based curriculum developers, trainers, and consultants that is sensitive to the particular cultural and treatment needs of the people in that region, and provides services ranging from traditional training activities through on-site assistance and mentoring.
- CSAT's treatment service programs focus on reducing the substance abuse treatment gap by supporting rapid and strategic responses to demands for services. The response to treatment capacity problems may include communities with serious, emerging drug problems or communities struggling with unmet need. These programs can be general in nature, serving a wide range of critical populations, such as adolescents, young adults, women and their children, persons involved with the criminal justice system, and ethnic and racial minorities. Since FY 1999, CSAT's targeted services programs have also included an HIV/AIDS component targeting minority populations at risk of contracting HIV/AIDS or living with HIV/AIDS. A special homeless component will be added in FY 2001.
- SAPT Block Grant activities include state expenditures of 80 percent of their SAPT Block Grant allotment for treatment services (including up to 5 percent for State administration), as well as CSAT and OAS expenditures of approximately 80 percent of the SAPT Block Grant set-aside for the collection and analysis of national data, the development of state data systems (including the development and maintenance of baseline data on the incidence and prevalence of drug use, as well as the development of outcome measures on the effectiveness of treatment programs), provision of technical assistance, and program evaluations.
- CSAP provides oversight for the Federal Drug Free Workplace Program, which addresses reduction of adult substance abuse demand in the Federal service and promulgates scientific and technical guidelines for Federal employee drug testing programs, and for the National Laboratory Certification Program (NLCP). The latter certifies drug testing laboratories, provides guidance for self-sustaining drug testing programs, and is the federal focal point for developing and implementing non-military, federal workplace drug testing technical, administrative and quality assurance programs.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- The total drug control budget supported by the 2001 appropriation is \$1.7 billion, including \$483.7 million for Goal 1 activities and \$1.2 billion for Goal 3 activities.

Goal 1: Educate and enable American's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- A total of \$230.7 million (including \$10.7 million in prevention set-aside funding) is available for Goal 1 primary prevention activities from the **SAPT Block Grant**. Prevention activities funded through the SAPT Block Grant include:
 - Supporting prevention technical assistance to states with areas implementing science-based prevention services, prevention workforce development, strategic planning and other elements critical to the states' overall prevention systems;
 - Assisting states in the effective implementation of Synar (youth access to tobacco products) compliance;
 - Providing support to states to develop and/or enhance their prevention data infrastructure, including the design and implementation of needs assessments; and,
 - Measuring the effectiveness of prevention activities funded through the SAPT Block Grant.
- A total of \$175.0 million is available for Goal 1 prevention **Programs of Regional and National Significance**, as follows:
 - **Community Initiated Prevention Intervention Program.** This program tests effective substance abuse prevention interventions that have been shown to prevent or reduce alcohol, tobacco, or other illegal drug use as well as associated social, emotional, behavioral, cognitive and physical problems among at-risk populations in their local communities. The program is determining the most effective prevention intervention models and associated services for preventing, delaying and/or reducing substance use and abuse by at-risk populations and measuring and documenting reductions in substance abuse and associated problems as compared to comparison groups. In FY 2001, this program will focus on several emerging issues in substance abuse prevention: fetal alcohol syndrome/alcohol related birth defect; children of substance abusing parents; methamphetamine, ecstasy, or club drugs; and underage or binge drinking.
 - In FY 2001, CSAP will conduct a **Mentoring and Family Strengthening Dissemination** program, which will build upon the success of its Project Youth Connect (mentoring) and Family Strengthening programs, which have developed scientifically proven prevention practices for high risk youth. The dissemination program will extend these programs to wider settings, including workplaces, schools, recreational centers, shelters, and other community settings, and to other populations. It will also involve the faith community as a major provider of prevention services in local communities.
 - CSAP will continue to provide funding for **Minority Substance Abuse and HIV Prevention**. The FY 2001 funding will support three types of grants: planning grants for community organizations to establish coordinated HIV/substance abuse prevention programming; expansion grants for community organizations already providing some

services; and, cooperative agreements to faith-based organizations to collaborate with other organizations serving youth.

- Finally, in FY 2001, CSAP proposes funding approximately 8 new **State Incentive Grants**, bringing the total to 37. Funding will enable states to examine their state prevention systems and redirect state resources to critical targeted prevention service needs within their state. This expansion is consistent with CSAP's goal of establishing a SIG grant in every State.
- A total of \$49.7 million is available from the **SAPT Block Grant** set-aside and \$12.0 million earmarked out of **Program Management** funds for Goal 1 activities related to data collection, administered by OAS.
 - The authorizing legislation of SAMHSA requires the annual collection of data on the national incidence and prevalence of substance abuse, emergency room admissions due to a substance abuse problem, and the characteristics and costs of treatment facilities and the number and characteristics of individuals in treatment. These data are obtained in three major surveys: (1) the National Household Survey on Drug Abuse (NHSDA); (2) the Drug Abuse Warning System (DAWN); and (3) the Drug and Alcohol Services Information System (DASIS). These surveys are the only source of national data on the extent of substance abuse in the general population and the nature of the treatment system. They also provide information critical to evaluating the success of federal and substance abuse programs.
- A total of \$16.3 million out of Program Management funds is used to support the operations of CSAP and OAS.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- A total of \$902.9 million (including \$22.8 million in treatment set-aside funding) is available for Goal 3 treatment activities from the SAPT Block Grant. Treatment activities supported through the SAPT Block Grant include:
 - Funding distributed to the 50 states, 8 territories, the District of Columbia, and the Red Lake Band of Chippewa Indians for prevention and treatment of the use of alcohol and other drugs. SAMHSA's latest comparable estimate projects that a total of 2.9 million persons with severe drug abuse problems did not receive treatment in 1998. Growth in the SAPT Block Grant allows significant infusions of federal funds to leverage state, local, third party and other resources to develop effective systems of care. The SAPT Block Grant funding supports about 51 percent of all publicly funded treatment and will provide services for approximately 337,000 persons in 2001.
 - CSAT's \$22.8 million from the SAPT Block Grant set-aside funds a variety of technical assistance activities requested by the states to include the completion of treatment needs assessments on a cyclical basis for the states and territories and the performance of treatment program evaluations. In 2001, \$5.0 million from the set-aside will be devoted

to the continuing development of a National Treatment Outcomes Monitoring System (NTOMS).

- A total of \$256.1 million is available for Goal 3 treatment **Programs of Regional and National Significance**, as follows:
 - CSAT will fund approximately 357 grants and contracts (\$160.9 million) for Targeted Capacity Expansion projects that focus on development of creative and comprehensive drug and alcohol early intervention and treatment systems for adults and adolescents in small towns, rural areas, and mid-size cities. In addition to youth, other populations targeted by this program would include women, homeless, co-morbid, rural populations, poly-substance abusers, and persons re-entering into society from the criminal justice system. Included as a key component of the targeted capacity program is a \$56.8 million effort focusing on enhanced and expanded substance abuse treatment services related to HIV/AIDS in African-American, Hispanic and other racial/ethnic minority communities. New in 2001 will be a \$10.0 million initiative targeting homeless persons with substance abuse problems. Also new is a jointly-funded project with SAMHSA's Center for Mental Health Services, the Department of Labor, and the Department of Justice to develop a comprehensive, multi-agency approach to providing substance abuse and mental health services, job training and placement, and supervision to juveniles and adults returning (*Re-Entry*) to the community and their families from prison, jail, or detention centers.
 - CSAT will fund approximately 348 grants and contracts (\$95.3 million) supporting knowledge development and application efforts bridging research to practice so that treatment programs are effective and efficient, represent best practices, and can be held accountable by evaluation against established standards, performance measures, and outcomes. These programs address: access, inter-system linkages, infrastructure, and treatment quality improvement; family and community support and reduction of stigma; regulation, accreditation, and technical assistance for opioid addiction treatment programs; community health centers for migrant workers; early childhood intervention; addiction technology transfer; and expansion of treatment incorporating the knowledge and skills of faith-based organizations.
- A total of \$12.6 million is used to support the operations of CSAT.

2002 Significant Program Changes

- A total of \$1.8 billion is requested for the drug abuse budget in FY 2002, an increase of \$99.6 million over 2001. The increase includes \$40.0 million for treatment Programs of Regional and National Significance, \$60 million for the SAPT Block Grant (\$42.6 million drug-related), and \$29.0 million to be transferred from the Department of Health and Human Services 1 percent evaluation resources for data collection. The \$29 million represents an increase of \$17 million above the \$12.0 million appropriated for the NHSDA in FY 2001 for Program Management. Total enhancements include:
 - **National Data Collection: \$29.0 million.** This represents an increase of \$17 million, which is above base funding of \$12 million appropriated for the NHSDA in FY 2001.

With these additional resources and funding from the SAPT Block Grant set-aside, SAMHSA will support the evaluation of what works, examine what makes quality care, and determine whether needs and services are a good fit. By measuring the performance of federal, state, and local service efforts through its data analysis and information gathering programs, SAMHSA will identify trends and ways to respond to them in a proactive manner.

- **Programs of Regional and National Significance: +\$40.0 million.** This increase is requested to fund approximately 54 new discretionary grants, providing treatment services proven to be effective in reducing abuse for approximately 12,000 persons. Resources will be focused on high-risk populations and high-need communities. These funds will support a variety of targeted capacity response programs, as follows: a treatment services initiative for teens and young adults, providing both residential and outpatient treatment (\$14.0 million); expanded treatment capacity to support adult and juvenile justice and family Drug Courts (\$10.0 million); Re-Entry Programs for adolescents returning from detention facilities to the community (\$6.0 million); treatment programs for the homeless (\$4.0 million); and, Targeted Capacity Expansion programs for the general population (\$6.0 million).

The total discretionary funding program for Programs of Regional and National Significance in FY 2002, including the new initiatives described above, will total \$296.1 million and will be comprised of approximately 526 grants serving an estimated 95,000 persons.

- **SAPT Block Grant: +\$60 million** (+\$42.6 million drug-related). The SAPT Block Grant will be increased by \$60.0 million, of which \$42.6 million will be dedicated to the treatment of drug abuse, including alcohol-related drug use (co-morbid use) and use of alcohol by underage persons. States have the opportunity to direct resources to the particular substance abuse problems and geographic regions of greatest need, and to a variety of community-based organizations. SAMHSA estimates that the total number of persons served through SAPT Block Grant funded programs in 2002 will exceed 342,000.

V. PROGRAM ACCOMPLISHMENTS

- **National Treatment Plan Initiative (NTP).** One of CSAT's major accomplishments in FY 2000 was the roll-out of the NTP, an initiative that builds on recent advances in the field, to bring together the best ideas about improving treatment, and to identify action recommendations that could translate ideas into practice. The NTP combines the recommendations of five Expert Panels, with input from six public hearings and solicitation of experience and ideas through written and online comments, into a five-point strategy: (1) Invest for Results; (2) No Wrong Door to Treatment; (3) Commit to Quality; (4) Change Attitudes; and, (5) Build Partnerships. The recommendations represent the collective vision of the participants in the NTP "conversation" over the past year. The goal of these recommendations is to ensure that an individual needing treatment—regardless of the door or system through which he or she enters—will be identified and assessed and will receive

treatment either directly or through appropriate referral. Systems must make every door the right door.

- **Satellite Downlink Tele-conference for *Recovery Month 2000*.** Throughout September 2000, CSAT and its partners sponsored Recovery Month 2000, the theme of which was “*Recovering Our Future: One Youth At A Time.*” As part of the monthly activities, on September 14, 2000, a satellite downlink hosted by the Community Anti-Drug Coalitions of America (CADCA), with support from the Multi-jurisdictional Counterdrug Task Force Training Program, was viewed in 252 sites. Downlink sites were located in 44 States with 2 additional sites in Canada and 1 each in the District of Columbia and Bermuda. Approximately 37 public access stations carried the downlink with an estimated audience of 1,831,700 households. This topic was clearly of interest to organizations that serve youth. The 1,044 schools and 28 school districts tuning in received critical information that will help them to better serve youth in their communities.
- **Cannabis Youth Treatment (CYT).** Findings from this CSAT cooperative agreement program were released in November 2000. Leading academic researchers and community based treatment providers participated in this project, which involved the manualization of five existing and promising approaches to outpatient treatment for marijuana using adolescents. Six hundred adolescents and their families were recruited from four sites (two major medical centers and two major community based providers) and then randomly assigned to one of five types of treatment varying in theoretical orientation, mode of delivery, duration, and degree of involving families.

It was noted that all five treatments studied were significantly better than evaluations of existing practice. Prior to the CYT Study, 80 percent of adolescents treated in outpatient settings had post-treatment outcomes ranging from decreasing use by 15 percent to increasing use by 10 percent. The CYT Study reported decreasing use an average of 31 percent between the three months before and after treatment. While there were some small significant differences by condition (e.g., the most expensive and/or extensive treatment did better), these varied by site, time and outcome and paled in comparison to the improvement of all five over existing practice. The average weekly economic costs of the five types of outpatient treatment ranged from \$105 to \$244 per adolescent.

- **National Expenditures For Mental Health and Substance Abuse Treatment, 1997.** On July 17, 2000, SAMHSA held a press conference at which the new estimates of national expenditures for substance abuse and mental health treatment were released. Overall, national expenditures for treatment of mental illness and abuse of alcohol and illicit drugs totaled \$82.2 billion in 1997. Of this total, 86 percent (\$70.8 billion) was for treatment of mental illness, and 14 percent (\$11.4 billion) was for treatment of alcohol and drug abuse. This health care spending report, co-funded by CSAT and SAMHSA’s Center for Mental Health Services, has been extremely well received and the data are being used throughout the mental health and substance abuse treatment provider communities, as well as by many individuals in the general health care field. Additional analyses are now being conducted for children vs. adults vs. elderly to learn more about how treatment expenditures are divided among these groups.

- **Rulemaking on Opioid Agonist (Methadone/LAAM) Treatment.** On January 17, 2001, new federal regulations were issued to improve the quality and oversight of substance abuse treatment programs that use methadone and other medication to treat heroin and similar addictions. The regulations create a new accreditation program to be managed by CSAT and replace a 30-year-old inspection program conducted by the Food and Drug Administration (FDA). Under the rule, substance abuse treatment programs using methadone or Levo-Alpha-Acetyl-Methadol (LAAM) would be accredited by non-federal agencies in accordance with standards for methadone treatment programs that have been developed by CSAT in concert with the Commission on Accreditation of Rehabilitation Facilities (CARF) and the Joint Commission on Accreditation of Healthcare Organizations (JCAHO).

Accreditation has been proven over the years to produce effective outcomes and is a widely adopted external quality assessment system used by the federal government, states, managed care firms, insurers, and others to ensure accountability for quality treatment. When the regulations take final effect, the existing FDA regulations will be rescinded; however, regulations of the Drug Enforcement Administration (DEA) regarding diversion of methadone will remain in place. The final rule includes a “transition plan” that allows existing treatment programs approximately 2 years to achieve accreditation under the new system.

- **High Risk Youth Cross-Site Evaluation.** CSAP’s High Risk Youth Cross-Site Evaluation yielded significant findings about the effectiveness of various substance abuse prevention interventions, including:
 - Youth who had already started using cigarettes, alcohol, and marijuana reduced their use after entering the program;
 - Substance abuse outcomes were more positive for males than for females at the program’s end, but positive outcomes emerged later and lasted longer for females;
 - More than two thirds of the programs reduced substance abuse and/or strengthened factors shown to protect against use; and,
 - Life skills training was more effective than education about drugs and alcohol.

CSAP is disseminating these results, which are expected to shape future prevention efforts at the federal, state, and local levels.

- **Youth Drug Use Decreases.** SAMHSA’s recently expanded National Household Survey of Drug Abuse found that illicit drug use has declined among youth, ages 12-17, in the period 1998-99. The trends are consistent with the findings of the annual Federal Monitoring the Future Study as well as other studies. Rates of first use are an important predictor of future rates of drug use and the numbers for adolescents are pointing in the right direction. For the first time since the late 1980’s, a statistically significant decline has been reported in the rate of young people, ages 12-17, who reported trying marijuana for the first time. After years of increases, the rate of first use for cocaine, inhalants, hallucinogens, and heroin is level or dropping.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$139.500	\$139.200	---
Goal 2	148.800	148.500	---
Goal 3	<u>21.700</u>	<u>21.600</u>	---
Total	\$310.000	\$309.300	---
Drug Resources by Function			
Prevention	\$139.500	\$139.200	---
Investigations	6.200	6.200	---
State and Local Assistance	142.600	142.300	---
Treatment	<u>21.700</u>	<u>21.600</u>	---
Total	\$310.000	\$309.300	---
Drug Resources by Decision Unit			
Drug Elimination Grants/COMPAC	\$310.000	\$309.300	---
Drug Resources Personnel Summary			
Total FTEs (direct only)	8	8	---
Information			
Total Agency Budget	\$26,221.0	\$30,772.7	---
Drug Percentage	1.2%	1.0%	---

II. METHODOLOGY

- All resources for the Drug Elimination Grants program are 100 percent drug-related.

III. PROGRAM SUMMARY

- The Public Housing Drug Elimination Program (PHDEP) has been authorized since 1988. PHDEP provides funds to public housing authorities and Tribally Designated Housing Entities to support their anti-drug and anti-crime efforts. Grantees have used these resources to fight crime by increasing police coverage and security and providing residents with alternatives to crime and violence. Grantees have used their PHDEP funding to: employ security personnel and investigators; contract with private security services; reimburse local law enforcement agencies for above-baseline services; establish volunteer resident patrols; implement physical improvements to enhance security; and establish and operate drug prevention, intervention, and treatment programs, as well as youth violence prevention projects.
- The Department of Housing and Urban Development's program provides support to Goals 1, 2, and 3 of the *Strategy*.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- The Office of Public and Assisted Housing, Delivery Community Safety and Conservation Division administers the Drug Elimination Grants (DEG) Program. In FY 2001, \$309.3 million was appropriated to award grants under several drug elimination programs and to provide technical assistance and training to public housing authorities and Tribally Designated Housing Entities. Of this amount, \$20 million will fund Operation Safe Home, a federal program to deal with drug-related criminal activity in public housing.
- Funding will be provided for, but is not limited to: crime prevention efforts, such as: neighborhood watch, volunteer tenant patrols, and enhanced security; youth initiatives, such as youth sports programs, peer mentors, and training; substance abuse education and prevention activities; and resident services programs, including job training, education, treatment, and other social service programs which help to deter illegal drug use and crime by addressing underlying causes.

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- In FY 2001, HUD will spend \$139.2 million for prevention programs that support Goal 1 activities of the *Strategy*.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- HUD's FY 2001 program includes \$148.5 million for safety and security activities that support Goal 2.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The FY 2001 program provides \$21.6 million for prevention and treatment activities that support Goal 3 of the *Strategy*.

FY 2002 Significant Program Changes

- The President's FY 2002 Budget proposes the termination of the Public Housing Drug Elimination Grants Program.

V. PROGRAM ACCOMPLISHMENTS

- The majority of the \$310 million in FY 2000 was used to fund 1,002 PHDEP grants. After funding the PHDEP, the Community Safety and Conservation Division distributed the remaining funds among various programs to include \$20 million for HUD's Operation Safe Home; \$16.2 million for Federally Assisted PHDEP; \$20 million for the New Approach Anti-Drug Program; and \$4.5 million for Drug Elimination Technical Assistance Program; and training initiatives to help reduce illegal drug use and drug-related crime.

BUREAU OF INDIAN AFFAIRS

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$ ---	\$1.900	\$1.900
Goal 2	19.039	20.441	22.700
Goal 3	0.643	0.400	0.600
Goal 4	<u>0.666</u>	<u>0.700</u>	<u>0.700</u>
Total	\$20.348	\$23.441	\$25.900
Drug Resources by Function			
Investigations	\$12.449	\$13.447	\$13.447
Corrections	1.654	2.086	3.934
State and Local Assistance	3.747	2.774	3.882
Research and Development	1.689	2.667	1.970
Prevention	0.643	2.300	2.500
Interdiction	<u>0.166</u>	<u>0.167</u>	<u>0.167</u>
Total	\$20.348	\$23.441	\$25.900
Drug Resources by Decision Unit			
Education	\$ ---	\$1.657	\$3.938
Tribal Service (Judicial & Social)	0.979	0.979	2.087
Law Enforcement	18.726	20.162	19.232
General Administration	<u>0.643</u>	<u>0.643</u>	<u>0.643</u>
Total	\$20.348	\$23.441	\$25.900
Drug Resources Personnel Summary			
Total FTEs (direct only)	103	142	142
Information			
Total Agency Budget	\$1,878.0	\$2,138.0	\$2,204.0
Drug Percentage	1.1%	1.1%	1.2%

II. METHODOLOGY

- The methodology used in determining drug control funding estimates is based on estimated percentages of projected funding by individual Bureau of Indian Affairs (Bureau) programs for activities that are directly or indirectly related to the ONDCP goals for prevention of alcohol, drug and tobacco abuse. While the Assistant Secretary of Indian Affairs re-established the Office of Alcohol and Substance Abuse Prevention (OASAP) in April 2000, it has not yet had the opportunity to conduct its of the Bureau alcohol and substance abuse prevention activities. Drug control funding is thus based on projections of what the Bureau programs, i.e., Tribal Courts, Judicial Services, Social Services (emergency shelters), Law Enforcement and school programs under the Office of Indian Education Programs would be conducting that are drug control-related.

- In the resource summary table, FY 2002 estimate shows an increase in the percentage of funds projected for use by Tribal Service programs for drug control-related activities as well as a reduction of funding in the Law Enforcement programs. The estimated increase in Tribal Service programs is based on an expected increase in the caseload of Tribal Courts. However, the estimated percentage of funds that will be used by Law Enforcement programs has been reduced to more accurately reflect the amount of funds used for law enforcement training directly related to drug control activities.

III. PROGRAM SUMMARY

- The mission of OASAP within the office of the Assistant Secretary of Indian Affairs is to assist American Indian Tribes and Alaska Natives in reducing the incidence and prevalence of alcohol and substance abuse in Indian Country. Its primary goals are to: (1) establish a culturally appropriate technical assistance capability that is responsive to diverse Tribal needs in alcohol and substance abuse prevention, (2) focus on reducing the number of early on-set use among Indian children and youth, and (3) bring the Bureau within compliance of its authorizing Anti-Drug Abuse Act mandates specified in Public Law 99-570.
- The mission of the Bureau of Indian Affairs is to fulfill its trust responsibilities and promote self-determination on behalf of Tribal governments, American Indians and Alaska Natives.
- The Bureau provides services directly, or through Self-Determination contracts, grants or compact agreements with Tribes, to more than 1.4 million American Indians and Alaska Natives in the 48 contiguous states and Alaska. The Bureau is trustee to over 46 million acres of Tribally-owned land, more than 10 million acres of individually-owned land, and 443,000 acres of federally-owned land.
- The Office of Indian Education Programs (OIEP) administers and provides education in 185 K-12 schools in academic and residential programs that serve over 50,000 American Indian children and youth. Each school includes in its Consolidated School Reform Plan a curriculum including topics on violence, alcohol, and substance abuse prevention. The Plan calls for each school to spend at least an average of 20 to 45 minutes per week on the subject of drug education depending on age and grade level of students. Some drug education topics are also integrated into the health education curriculum.
- In the Office of Law Enforcement Services, the Bureau employs approximately 378 sworn law officers. Tribes employ an estimated 1,943 sworn law officers under Indian Self-Determination grants, contracts or compacts. These law enforcement officers protect life and safety as well as provide drug enforcement for Indian tribes throughout the country.
- The Bureau continues to support the *National Drug Control Strategy* by providing law enforcement activities on reservations near U.S. borders with Mexico and Canada. The Bureau coordinates and works with the Department of Defense and state and local law enforcement agencies for marijuana eradication and drug interdiction. Its Drug Enforcement Section operates with five district offices.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- In FY 2001, approximately \$1.7 million and a proportionate average of 32 FTE will provide drug education to at least 50,000 American Indian children in 185 Bureau of Indian Affairs funded K-12 schools by the Office of Indian Education Programs (OIEP).
- In addition, OASAP will spend approximately \$0.2 million and 1 FTE developing drug prevention curriculum and materials for use in schools, in parenting education programs and in tribal alcohol and substance abuse prevention education activities. Also included in this amount will be the development and dissemination of a Prevention Quarterly to schools, hospital facilities, and tribal programs emphasizing articles that discourage Indian youth and children from drugs and alcohol use.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- FY 2001 resources include \$20.4 million and 105 FTE that support Goal 2 of the *Strategy*. The resources are being used to promote community policing and target drug problem areas. In addition, the Bureau will continue to provide training to Tribal and Bureau law enforcement officers regarding drug investigations. The Bureau's primary drug-related law enforcement efforts will include the following:
 - In cooperation with other federal, state, and local law enforcement agencies, the Bureau will continue the investigation and prosecution of individuals involved in the illegal distribution and sale of narcotics on Indian reservations.
 - The Bureau's Drug Enforcement Branch will continue marijuana eradication efforts. In FY 2000, personnel of the Drug Enforcement Branch, which was formerly headquartered at the Indian Police Academy, Artesia, New Mexico, were reassigned to each of the five district offices established under the reorganization. The relocated personnel, using their extensive investigative experience, will formulate and implement strategies to dismantle drug trafficking networks supplying illicit narcotics to Indian Country. Personnel will place particular emphasis on the identification of those persons responsible for trafficking significant amounts of narcotic substances.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- FY 2001 resources include \$0.4 million for Goal 3 activities. The funds provide \$0.2 million to support the Bureau's participation in the Department of the Interior's Drug-Free Workplace initiative and \$0.2 million and 3 FTEs for operations of the Office of Alcohol and Substance Abuse Prevention.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- FY 2001 resources include \$0.7 million for Goal 4 activities. This funding includes \$0.5 million provided to the Tohono O'dham Nation for law enforcement assistance because its reservation borders Mexico, and an estimated \$0.2 million in support provided by the Bureau's Office of Law Enforcement Services.

FY 2002 Significant Program Changes

- The Bureau's FY 2002 budget request is \$25.9 million and 142 FTE for anti-drug activities. This represents an increase of \$2.5 million over the FY 2001 enacted level. Resources support Goals 1, 2, 3 and 4 of the *Strategy*.
- The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- In FY 2000, the Assistant Secretary of Indian Affairs re-established the Office of Alcohol and Substance Abuse Prevention. The Office provided information dissemination to 561 Tribes on funding accessibility and technical information on developing effective strategies for alcohol and substance abuse prevention. It cosponsored a major Tribal Leaders' Summit that provided education and learning opportunities on successful programs identified by other federal agencies, and training to Tribal leaders on funding opportunities and networking strategies to enhance development of local Tribal Action Plans and Tribal programs. The Office convened a National Indian Youth Conference attended by over 350 youth who were provided workshops on topics related to alcohol and substance abuse and violence.
- The Bureau Law Enforcement Services has provided outreach training each year to more than 200 police officers in marijuana eradication and highway interdiction. It has decentralized its Drug Enforcement Section and reassigned personnel to five district offices. The Bureau has also provided law enforcement support along the southwest border with Mexico. Specific drug-related accomplishments reported for FY 2000 by three of the five district law enforcement offices and the Washington Liaison Office include:
 - Number of drug investigations – 131
 - Number of drug-related arrests – 284
 - Value of assets seized – \$19,972

BUREAU OF LAND MANAGEMENT

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 5	\$5.000	\$4.989	\$4.989
Drug Resources by Function			
Interdiction	\$0.200	\$0.199	\$0.199
Investigations	4.000	3.991	3.991
Intelligence	0.200	0.199	0.199
State and Local Assistance	<u>0.600</u>	<u>0.600</u>	<u>0.600</u>
Total	\$5.000	\$4.989	\$4.989
Drug Resources by Decision Unit			
Resources Protection & Law Enforcement	\$3.700	\$3.691	\$3.691
Other Benefiting Subactivities	\$1.200	\$1.197	\$1.197
General Administration	<u>0.100</u>	<u>0.101</u>	<u>0.101</u>
Total	\$5.000	\$4.989	\$4.989
Drug Resources Personnel Summary			
Total FTEs (direct only)	33	35	35
Information			
Total Agency Budget	\$765.4	\$851.4	\$865.5
Drug Percentage	0.7%	0.6%	0.6%

II. METHODOLOGY

- The Bureau of Land Management's (BLM) drug control program is funded at the \$5 million level and comprises less than 1 percent of the BLM's current total budget. Within its overall law enforcement mission, drug control efforts focus on specific public land drug problems, such as marijuana cultivation, drug manufacturing sites, and dumping and smuggling activities that directly increase domestically available drugs and endanger the public land resources, public land users, and federal employees. These illegal activities also affect BLM's legitimate abilities to manage the public lands effectively.
- Drug enforcement is a collateral activity within the overall law enforcement mission of the BLM, with no individual officer specifically assigned full time to drug enforcement activities. The expenditure of \$5 million and 35 FTE are the total combined efforts of all officers' time and expenditures contributed to some measure of drug enforcement.

III. PROGRAM SUMMARY

- The BLM is responsible for the management of approximately 264 million acres of public land located primarily in the western United States and Alaska. These lands encompass large geographical areas, presenting law enforcement officers with significant problems in

addressing drug activities due to the time and distance between community centers. Drug activities affect both the small growing western communities, as they expand into the more remote, uninhabited areas of the country, and the surrounding natural resources. The adverse impacts of drug activities on the natural resources include, but are not limited to, the diversion and pollution of waters, contamination of soil with hazardous wastes, extermination of wildlife, and destruction of timber and vegetation. Illicit drug activities also present continuing safety hazards to visitors who utilize the recreational and wilderness opportunities available on the public lands and to BLM employees who work and manage the public lands.

- The focus of the drug enforcement program for the BLM is to reduce marijuana cultivation, drug manufacturing and distribution/trafficking that directly impact the public land resources or public safety of those who utilize the public lands. The BLM's drug enforcement efforts will concentrate on reducing the domestic production of marijuana, drug manufacturing and trafficking that occur on the public lands.
- The BLM's program focuses on field patrol, detection and investigative activities, and cooperative support to state and local law enforcement agencies affecting public lands. The BLM activities focus on reducing marijuana cultivation and other drug activities on public lands.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 5: Break foreign and domestic drug sources of supply.

- The BLM's FY 2001 drug program expends the equivalent of \$5.0 million in funding and 35 FTEs. This includes \$3.7 million in the Resource Protection and Law Enforcement subactivity and \$1.3 million in funding derived from other benefiting program subactivities at the State Office level. The additional funding from benefiting subactivities (\$1.3 million) is allocated to those states that have significant marijuana cultivation, drug manufacturing, and trafficking activities that affect other programs. The programs identified for this subactivity funding are in Arizona, New Mexico, California, Colorado, Idaho, Nevada, Oregon and Utah.

FY 2002 Significant Program Changes

- The request maintains current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- Specific BLM accomplishments for FY 2000 included 398 Drug Investigations/Incidents, 36,872 marijuana plants eradicated and seized, 1,683 pounds of processed marijuana seized, 212 arrests/citations, 32 drug labs/dumps on public lands, and 4 firearms seized.

U.S. FISH AND WILDLIFE SERVICE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 4	\$0.625	\$0.625	\$0.625
Goal 5	<u>0.375</u>	<u>0.375</u>	<u>0.375</u>
Total	\$1.000	\$1.000	\$1.000
Drug Resources by Function			
Investigations	\$0.175	\$0.175	\$0.175
Prosecutions	0.075	0.075	0.075
Interdiction	0.650	0.650	0.650
State and Local Assistance	<u>0.100</u>	<u>0.100</u>	<u>0.100</u>
Total	\$1.000	\$1.000	\$1.000
Drug Resources by Decision Unit			
Law Enforcement Agency Support (DLEA)	\$1.000	\$1.000	\$1.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	---	---	---
Information			
Total Agency Budget	\$886.5	\$1,259.2	\$1,091.3
Drug Percentage	0.1%	0.1%	0.1%

II. METHODOLOGY

- Budget requests for drug enforcement are based on necessary funding to support staffing, training, equipment, aircraft surveillance, and other related operational costs. Funding is requested to maintain a level of presence on Service-owned lands in order to detect, eradicate, and provide a level of deterrence. Funds also help support interdiction efforts at Southwest refuges and for wildlife inspection at ports of entry.

III. PROGRAM SUMMARY

- Refuge officers and special agents work together with local law enforcement agencies to apprehend persons cultivating marijuana on National Wildlife Refuge lands. Wildlife inspectors work closely with U.S. Customs at ports of entries.
- Activities focus on:
 - Work together with local law enforcement agencies to apprehend persons cultivating marijuana on National Wildlife Refuge lands.
 - Investigations target methamphetamine laboratory activity detected on Southwest Border refuges.

- Emphasis is placed on locating and eliminating drug use on National Wildlife Refuges, including emphasis on drug use among hunters.
- Special checkpoints are established on refuge tour routes and during hunting programs with local law enforcement agencies.

IV. BUDGET SUMMARY

FY 2001 Program Summary by Goal

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The FY 2001 program includes \$0.6 million to support Goal 4 of the *Strategy*. Refuge officers will work closely with other agencies and task forces on the Southwest Border National Wildlife Refuges and wildlife inspectors work closely with U.S. Customs at ports of entry.

Goal 5: Break foreign and domestic drug sources of supply.

- The FY 2001 program includes \$0.4 million to support Goal 5 of the *Strategy*. Service refuge officers and special agents will focus their efforts on marijuana eradication. Investigations of methamphetamine laboratory activity on Southwest Border National Wildlife Refuges will be continued.

FY 2002 Significant Program Changes

- The FY 2002 budget request maintains current services.

V. PROGRAM ACCOMPLISHMENTS

- No new accomplishments reported.

NATIONAL PARK SERVICE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$0.171	\$0.155	\$0.171
Goal 2	0.761	0.752	0.760
Goal 3	0.304	0.316	0.304
Goal 4	1.903	1.913	1.900
Goal 5	<u>6.374</u>	<u>6.385</u>	<u>6.365</u>
Total	\$9.513	\$9.521	\$9.500
Drug Resources by Function			
Interdiction	\$1.903	\$1.913	\$1.900
Investigations	6.849	6.850	6.840
Prosecution	0.285	0.284	0.285
Prevention	<u>0.476</u>	<u>0.474</u>	<u>0.475</u>
Total	\$9.513	\$9.521	\$9.500
Drug Resources by Decision Unit			
Park Management	\$9.197	\$9.205	\$9.184
Violent Crime Trust Fund	<u>0.316</u>	<u>0.316</u>	<u>0.316</u>
Total	\$9.513	\$9.521	\$9.500
Drug Resources Personnel Summary			
Total FTEs (direct only)	108	108	108
Information			
Total Agency Budget	\$2,041.2	\$2,402.7	\$2,737.0
Drug Percentage	0.5%	0.4%	0.3%

II. METHODOLOGY

- The National Park Service develops its drug control budget based on tracking of actual FTE usage in the field, a review of prior year expenditures as tracked by Program Work Element (PWE), and a projection of costs associated with support needed for FTE usage. The NPS tracks drug expenditures through its official accounting system.

III. PROGRAM SUMMARY

- The National Park System contains 379 diverse and unique areas, including parks, monuments, historic sites, trails, and recreational areas. NPS administers more than 83 million acres in 49 states, the District of Columbia, Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands. NPS programs are oriented toward the fundamental mission of natural and cultural resource protection and interpretation, while also promoting outdoor recreation, historic preservation, and environmental awareness. NPS works closely with states, local governments, and community groups to accomplish these goals.

- Many park areas are located in or near known drug smuggling or trafficking routes. Cases involving the use/possession, sale/distribution, smuggling, manufacturing, and cultivation of controlled substances occur routinely in park areas. Roughly 365 miles of the 1,700 miles of this country's border with Mexico are in units of the National Park System, and significant percentages of the coastlines of a number of states in which smuggling occurs also lie within park areas (22 percent of the coast of Florida, 31 percent of Georgia, 42 percent of North Carolina, 50 percent of Maryland, 35 percent of Virginia, and 20 percent of California).
- Some of the specific purposes of NPS' law enforcement program (NPS Park Rangers), as it relates to drug enforcement, are to locate and eradicate marijuana plants being cultivated on park lands, to combat drug use, distribution, and smuggling in National Park areas, and to work cooperatively with other federal, state, and local agencies in mutual drug enforcement operations in areas contiguous to park boundaries.
- The National Park System manages its drug control programs at the park level, augmented by the U.S. Park Police in major urban areas. The U.S. Park Police include uniformed and non-uniformed police officers that perform the same level of work and diverse duties as any urban police department. The U.S. Park Police currently have over 600 sworn police officers, of which approximately half are routinely assigned to provide law enforcement services on lands in the District of Columbia, the New York Field Office, the San Francisco Field Office, and to several other areas of the country.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The FY 2001 resources include approximately \$0.2 million to increase public awareness of the consequences of illicit drug use and the use of alcohol and tobacco by underage populations.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The FY 2001 resources include approximately \$0.8 million for Goal 2. This funding includes \$0.7 million for Task Force operations that target all levels of drug trafficking and drug crime, and to improve the efficiency of federal drug law enforcement investigative and intelligence programs. An additional \$0.1 million in funding is to increase the effectiveness of federal, state, and local law enforcement tasks, and to improve the efficiency of federal drug law enforcement investigative and intelligence programs to apprehend drug traffickers, seize their drugs, and forfeit their assets.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The FY 2001 resources include \$0.3 million to expand and enhance drug education and prevention strategies in the workplace.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The FY 2001 resources include \$1.9 million to improve the effectiveness of law enforcement to stop the flow of drugs into the United States, especially along the Southwest Border.

Goal 5: Break foreign and domestic drug sources of supply.

- The FY 2001 funding in support of Goal 5 is \$6.4 million. This includes \$5.9 million to reduce domestic drug production and availability, including the illegal diversion of prescription drugs, and \$0.5 million to continue to target for prosecution those who illegally divert pharmaceuticals and listed chemicals.

FY 2002 Significant Program Changes

- The FY 2002 budget for NPS includes a request of \$9.5 million and 108 FTEs.
- The request maintains current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- NPS Park Rangers and Special Agents have been seizing increasingly larger amounts of marijuana (both processed and plant), cocaine, methamphetamine and other numerous types of illegal drugs during this reporting period. These seizures are taking place primarily in our parks along the Southwest, Southeast and Northwest borders of the United States (For example, in CY99 we seized 114,266 pounds of marijuana, but in first six months of CY00, we have already seized 116,720 pounds of marijuana). NPS is also seeing an overwhelming increase in the amount of undocumented aliens, entering the U.S. by crossing our parks in an attempt to escape apprehension. This is causing tremendous resource damage to our parks, primarily in Arizona, along the U.S./Mexican boundary, where we are seeing upwards of 1,000 aliens per day, crossing our parks as well as an increase in border violence and threats to NPS personnel.
- During 1999, there were 1720 reported drug-related incidents. The U.S. Park Police arrested more than 1102 persons for drug violations. During the course of those arrests approximately forty (40) search warrants were executed. Recovered was more than \$2.5 million dollars of street valued narcotics.
- The U.S. Park Police currently provide Drug Awareness Resistance Education (DARE) to twenty-two (22) schools. Twenty-five (25) officers are serving as instructors.
- During the period of November 1999 to September 2000, the Narcotics and Vice Unit has been involved in several long-term Organized Crime Drug Enforcement Task Force cases.

As a result of these cases, several drug organizations have been targeted. More than ten kilos of crack/cocaine have been recovered. The value of these drugs alone is in excess of \$300,000. The Narcotics and Vice Unit executed more than twenty (20) search warrants, arrested more than thirty (30) persons for PWID (Possession with Intent to Distribute) narcotics and recovered eighteen (18) firearms.

THE FEDERAL JUDICIARY

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$679.636	\$735.554	\$823.852
Drug Resources by Function			
Corrections	\$175.121	\$183.898	\$204.703
Prosecution	402.416	441.398	495.930
Research and Development	3.990	4.646	5.783
Treatment	98.109	105.612	117.436
Total	\$679.636	\$735.554	\$823.852
Drug Resources by Decision Unit			
Salaries and Expenses	\$514.716	\$584.902	\$650.494
Defender Services	88.151	108.511	130.379
Fees of Jurors	16.775	18.544	15.641
Court Security	9.651	9.957	11.422
Administrative Office	5.479	5.821	6.444
Federal Judicial Center	1.793	1.874	2.032
Sentencing Commission	5.081	5.945	7.440
Violent Crime Reduction Trust Fund:			
- Mandatory Drug Testing for Federal Prisoners	5.073	---	---
- Management and Administration	32.917	---	---
Total	\$679.636	\$735.554	\$823.852
Drug Resources Personnel Summary			
Total FTEs (direct only)	5,379	5,744	5,926
Information			
Total Agency Budget	\$3,824.0	\$4,143.6	\$4,635.7
Drug Percentage	17.8%	17.8%	17.8%

II. METHODOLOGY

- The drug portion of the Judiciary's budget is estimated by applying the percentage of drug-related activity experienced in each appropriation to the current appropriation or requested funding. The percentages are developed by analyzing the workload of each component of the Judiciary's budget, estimating the amount that is attributed to drug-related crime, prosecution, treatment, or corrections, and then rounded to the nearest five percent before application. The percentages are updated each September to reflect the most recent drug workload information available.

III. PROGRAM SUMMARY

- The Federal Judiciary is organized geographically into twelve Judicial Circuits and ninety-four Districts, each with supporting offices, such as the Office of the Clerk of the Court,

Central Legal Staff, Probation and Pretrial Services Offices and Bankruptcy Courts. The courts receive administrative support from the Administrative Office of the U. S. Courts and research and training services from the Federal Judicial Center and the United States Sentencing Commission. In addition to personnel and court operating expenses, Judiciary costs include payments to jurors, payments to defense attorneys for indigent defendants, court reporting and interpreting, and court facility security.

- The Judiciary drug resources support Goal 2, “Increase the safety of America’s citizens by substantially reducing drug-related crime and violence” of the *Strategy*.
- The Judiciary plays a unique role in the criminal justice continuum and thus supports this broad goal. The resources identified with this goal represent an estimate of the Judiciary’s resources associated with drug cases, trials, defendants, and associated costs. Further, the costs associated with Goal 2 provide for court ordered drug testing, drug treatment, and supervision of federal defendants, probationers, parolees and supervised releasees.
- Drug-related workload is identified by the types of cases being heard as well as the offenses of the individuals needing counsel or under supervision. The funding supporting Goal 2 is used by the probation and pretrial services offices for the drug testing and treatment of federal defendants and offenders.
- Probation and pretrial services officers have primary responsibility for enforcing conditions of release imposed by the courts and for monitoring the behavior of persons placed under their supervision. With the oversight of the Administrative Office of the United States Courts, officers administer a program of substance abuse testing and treatment for persons on pretrial release, probation, supervised release after incarceration, and parole. The goal is to eliminate substance abuse by persons under supervision and to remove violators from the community before relapse leads to recidivism.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- All of the Federal Judiciary's drug control resources are in direct support of Goal 2 activities. The total FY 2001 enacted level of \$735.6 billion provides adjudication of federal laws, representation for indigent individuals accused under these laws, and the supervision of offenders and defendants.
- The Judiciary’s resources will be used to support the following drug control activities:
 - **Salaries and Expenses:** provides salaries, benefits, and other operating expenses of judges and support personnel for the United States courts of appeals, district courts, bankruptcy courts, and probation and pretrial services officers and staff.
 - **Defender Services:** provides effective representation for any person financially unable to obtain adequate representation in federal criminal and certain related proceedings.

- **Fees of Jurors and Commissioners:** includes funding for jurors sitting on drug cases. Drug-related resources required depend largely upon the volume and length of jury trials for parties to criminal actions and the number of grand juries being convened by the courts at the request of the U.S. Attorneys.
- **Court Security:** provides security for judicial areas at courthouses and in federal facilities housing court operations. The Marshals Service acts as the judiciary's agent in contracting for security and guard services and the purchase, installation, and maintenance of security systems and equipment for all court locations. In the event that a particular court is trying a drug-related case or cases and the trial has been designated by the Marshals Service to be a "high threat" proceeding, the standard level of security normally provided at the facility is enhanced, using a combination of the resources noted above, for the duration of the trial.
- **Administrative Office of the United States Courts:** provides professional support, analysis, program management, and oversight for the federal judiciary. The drug-related resources in this account are for the necessary expenses of the Divisions of the Administrative Office related to the drug case workload in the courts and probation and pretrial services offices.
- **Federal Judicial Center:** provides education and training for judges, probation and pretrial services officers, and other federal court personnel, and performs independent research to improve the administration of justice in the federal courts. Many Center programs deal with drug-related court workload issues including: training for federal judges in criminal law and procedure, sentencing, and criminal case management; training for probation and pretrial services officers to help judges formulate sentences and to supervise drug-dependent defendants and offenders; and training for other court staff to help them manage resources effectively, particularly in those courts beset by heavy caseload.
- **United States Sentencing Commission:** covers costs related to the establishment, review, and revision of sentencing guidelines, policies, and practices for the criminal justice system.
- **Pretrial Drug Testing of All Federal Defendants**--during FY 1997, the Department of Justice (DOJ) and the Judiciary established a pilot program in twenty-four districts to determine the feasibility of full implementation of this initiative. The DOJ is funding the pilot project under a memorandum of understanding between DOJ and the Judiciary. This initiative will continue in FY 2001, with twenty-three districts participating at an estimated cost of \$1.9 million, with continued DOJ funding of the costs.

FY 2002 Significant Program Changes

- For FY 2002, the drug control budget request totals \$823.9 million, a net increase of \$88.3 million over the FY 2001 enacted level.

- The growth is reflective of the continued increase in caseload and supervision responsibilities of the Judiciary. The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

During FY 2000, the Judiciary achieved a number of significant accomplishments in their drug control program. These include:

- Trained sixty officers and eight Bureau of Prison staff in the simplified procurement process for securing treatment services for defendants and offenders under supervision.
- Implemented the national alcohol and drug counselor certification program for federal probation and pretrial services officers to become certified professional alcohol and drug counselors.
- Conducted several Federal Judiciary Television Network broadcasts on drug treatment to over one hundred sites including: *Substance Abuse: Characteristics, Complications, and Acute Treatment* and *Substance Abuse: Supervising the Addicted, Character-Disordered Defendant and Offender..*
- Implemented the Workplace Drug Testing Program for federal probation and pretrial services officers and assistants.
- Conducted twenty-three technical assistance and district review visits to districts for the purpose of evaluating the effectiveness of the probation and pretrial services programs, including the substance abuse treatment program in those districts.
- Expanded reporting to the National Treatment Database from 94 percent of the districts last year to 100 percent this year.
- Developed and implemented a Substance Abuse and Mental Health Treatment Intranet site to assist officers in obtaining information relevant to the treatment of defendants and offenders.

ASSETS FORFEITURE FUND

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$490.988	\$380.578	\$353.000
Goal 5	<u>12.012</u>	<u>19.422</u>	<u>7.000</u>
Total	\$503.000	\$400.000	\$360.000
Drug Resources by Function			
State and Local Assistance	\$222.920	\$209.494	\$240.000
Investigations	257.646	160.161	102.000
Prosecution	15.422	15.923	16.000
International	<u>7.012</u>	<u>14.422</u>	<u>2.000</u>
Total	\$503.000	\$400.000	\$360.000
Drug Resources by Decision Unit			
Definite Budget Authority	\$23.000	\$22.949	\$22.949
Permanent Indefinite	<u>480.000</u>	<u>377.051</u>	<u>337.051</u>
Total	\$503.000	\$400.000	\$360.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Information			
Total Agency Budget	\$503.0	\$400.0	\$360.0
Drug Percentage	100%	100%	100%

II. METHODOLOGY

- All Department of Justice Asset Forfeiture Funds are 100 percent drug-related.

III. PROGRAM SUMMARY

- The Comprehensive Crime Control Act of 1984 established the Justice Department's Assets Forfeiture Fund (AFF or Fund), into which forfeited cash and the proceeds of the sale of forfeited properties are deposited. Most assets are forfeited because they were used in or acquired as a result of, violations of racketeering, money laundering, or drug trafficking statutes.
- Until December 1994, the fund was administered by the Executive Office for Asset Forfeiture, Office of the Deputy Attorney General. Since that time, the Fund has been administered by the Asset Forfeiture Management Staff, Justice Management Division.
- The AFF supports Goal 2 of the *Strategy*, "Increase the safety of America's citizens by substantially reducing drug-related crime and violence" and Goal 5 of the *Strategy*, "Break

foreign and domestic drug sources of supply.” The AFF funds may be used for several purposes:

- **Asset Management Expenses.** These include expenses incurred in connection with the seizure, inventory, appraisal, packaging, movement, storage, maintenance, security, and disposition (including destruction) of assets.
- **Other Asset Specific Expenses.** These include case-specific expenses incurred in connection with normal proceedings undertaken to perfect the United States' interest in seized property through forfeiture. Such expenses include fees and other costs of advertising, translation, court reporting, expert witness fees, courtroom exhibit services, travel, subsistence related to a specific proceeding, and other related items. Also included are payments of qualified third party interests, such as expenses incurred in the payment of valid liens, mortgages, and ownership interests pursuant to court order or a favorable ruling on a petition for remission or mitigation of the forfeiture.
- **Equitable Sharing Payments.** These include distributions of the net proceeds (after recovering direct costs) of forfeitures to foreign governments and to state and local law enforcement agencies in proportion to the degree of their direct participation in the law enforcement effort that resulted in the forfeiture.
- **Program Management Expenses.** These include expenses incurred in carrying out forfeiture program responsibilities that are not related to any one specific asset or to any one specific seizure or forfeiture (e.g., audits and evaluations). Also included are expenses of forfeiture related automated data processing; contracting for services directly related to the processing of and accounting for assets and forfeiture cases; forfeiture-related printing and graphic services; asset seizure and forfeiture training; the storage, protection, and destruction of controlled substances; and contracting for services directly related to the identification of forfeitable assets.
- **Investigative Expenses.** Awards payable from the fund directly support law enforcement efforts by encouraging cooperation and assistance by informants. The fund may also be used to purchase evidence of violations of drug laws, Racketeering Influenced and Corrupt Organizations, and criminal money laundering laws. Payment of awards to sources of information creates tremendous motivation for individuals to assist the government in the investigation of criminal activity and the seizure of assets. Many cases would be impossible to bring to trial without the information from cooperating individuals. Even when the government has reason to believe criminal activity is occurring, an inside informant can facilitate the cost-effective deployment of investigative resources to obtain the greatest results.
- **Other Uses.** These include authority under the permanent indefinite portion of the fund for payment of overtime salaries, travel, fuel, training, equipment, and other similar costs incurred by state or local law enforcement officers in a joint law enforcement operation with a federal law enforcement agency participating in the fund.

- **Transfers to Other Accounts.** These reflect the transfer to other accounts of proceeds in excess of the amounts required for the above activities. Congress authorized excess funds to be transferred to the Bureau of Prisons (1988-1989), the U.S. Attorneys (1989), and the Special Forfeiture Fund (1990-1997). Title 28 U.S.C. § 524(c)(8)(E) provides for the use of any remaining excess balance by the Attorney General for any federal law enforcement, litigative/prosecutive, and correctional activities, or any other authorized purpose of the Department of Justice.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- The FY 2001 level totals \$400 million, which includes \$22.9 million in definite authority, and \$377.1 million in permanent indefinite authority. The 2001 level reflects a decrease of \$103 million that is largely a result of the Civil Asset Forfeiture Reform Act (CAFRA), P.L. 106-185, dated April 25, 2000.
- CAFRA makes various changes to federal laws relating to the forfeiture of civil assets that may significantly decrease receipts deposited into the AFF over the next two to three fiscal years. The reform legislation was effective on August 23, 2000. The fiscal resources of the AFF must first cover the business or operational expenses of the asset forfeiture program, and the Fund is not allowed to operate at a deficit.
- As of March 1, 2001, FY 2002 overall receipts are anticipated to decline from 2001 by \$40 million, reflecting a twenty-eight percent drop from FY 2000 receipts. Subsequently, it is expected that the declining effect will diminish as the program adjusts to the new environment.
- The total number of seized assets expected in 2001 is projected to decline from the 2000 level of 27,077 seized assets, with an estimated value of \$814.8 million. The Seized Assets Deposit Fund (SADF) balance had excluded Bank of Credit and Commerce International (BCCI) deposits. BCCI funds were restricted funds subject to claims and are distributed by court order. However, as of August 31, 2000, all BCCI funds were transferred to the AFF.
- Following is a brief description of resources by Strategy Goal:

Goal 2: Increase the Safety of America's Citizens by Substantially Reducing Drug-Related Crime and Violence

- In FY 2001, drug control spending in support of Goal 2 activities will total \$380.6 million. Approximately 95 percent of Assets Forfeiture Fund's resources are in support of Goal 2 activities that support domestic law enforcement. The Fund provides investigative expenses to the Drug Enforcement Administration, Federal Bureau of Investigation, Immigration and Naturalization Service, U.S. Postal Inspection Service, U.S. Park Police, Food and Drug Administration, and U.S. Department of Agriculture. The Fund also provides resources for prosecutive expenses of the U.S. Attorneys Offices and the Criminal Division of the

Department of Justice. In addition, support is provided to assist state and local organizations by funding equitable sharing and joint law enforcement operations.

Goal 5: Break Foreign and Domestic Drug Sources of Supply

- In FY 2001, drug control spending in support of Goal 5 activities will total \$19.4 million. The Fund will distribute \$14.4 million in international equitable sharing, of which \$13.3 million represents sharing with Colombia as a result of its participation in the Gacha cocaine case. Also, \$5 million will be disbursed to the DEA for its Domestic Cannabis Eradication/Suppression Program.

FY 2002 Significant Program Changes

- The FY 2002 drug control budget request totals \$360 million, a decrease of \$40 million from the FY 2001 enacted level.
- Included in the \$360 million request is \$22.9 million in definite authority, and \$337.1 million in permanent indefinite authority. The drug control request includes \$353 million for Goal 2 activities and \$7 million to support Goal 5 activities.
- Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- At the end of 2000, a total of 27,077 seized assets were on hand worth about \$814.8 million. This consists of 8,462 cash seizures with a value of \$356.2 million; 597 real properties valued at \$96.7 million; 15 businesses valued at \$1.7 million; and 18,003 other assets with an estimated value of \$360.2 million.

UNITED STATES ATTORNEYS

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$207.721	\$218.065	\$228.926
Drug Resources by Function			
Prosecution	\$207.721	\$218.065	\$228.926
Drug Resources by Decision Unit			
Criminal Litigation	\$200.020	\$210.021	\$220.522
Legal Education	0.840	0.840	0.840
Management & Administration	<u>6.861</u>	<u>7.204</u>	<u>7.564</u>
Total	\$207.721	\$218.065	\$228.926
Drug Resources Personnel Summary			
Total FTEs (direct)	1,626	1,626	1,626
Information			
Total Agency Budget	\$1,162.0	\$1,259.6	\$1,346.3
Drug Percentage	17.9%	17.3%	17.0%

II. METHODOLOGY

- The United States Attorneys' (USAs) drug efforts include those workyears associated with the narcotics program, plus half of the workyears for Violent Crime and Organized Crime. The caseload in these programs frequently involves narcotics, although it is not the lead charge. A proportional share of other decision units, which indirectly support the prosecution of drug violators, is included.

III. PROGRAM SUMMARY

- The budget supports the federal drug control priorities under Goal 2, "Increase the safety of America's citizens by substantially reducing drug-related crime and violence." USA programs reduce drug-related crime and violence through the investigation and prosecution of illegal drug manufacturers and traffickers.
- The USAs are the principal litigators for the federal government, operating ninety-four district offices. The USAs prosecute the majority of the federal violations of controlled substances, money laundering, drug trafficking, tax evasion, and violent and organized crime.
- According to the Administrative Office for U.S. Courts, during the period 1995 to 1999, drug cases filed increased by fifty-two percent. Drug cases accounted for thirty percent of all criminal cases in 1999. Drug case filings increased by seven percent in 1999 and the number of drug defendants increased by four percent.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- All resources spent by the United States Attorneys' program provide direct support to Goal 2 activities. The FY 2001 drug-related resources include \$218 million and 1,626 FTEs that support Goal 2 of the *Strategy* through prosecution activities. The United States Attorneys investigate and prosecute all federal violations of controlled substances, money laundering, drug trafficking, tax evasion, and violent and organized crime.

FY 2002 Significant Program Changes

- The FY 2002 request includes \$228.9 million and 1,626 FTEs in drug-related resources that support Goal 2 of the *Strategy* through prosecution activities. This represents an increase of \$10.9 million over the FY 2001 enacted level.
- The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- An indictment was filed against four defendants -- Ah-Hui Tso, Hui-Lane Peng, Guo Xing Sae Chen and Tzen Shiung Lee -- for shipping over fifty-seven kilograms (approximately 126 pounds) of heroin to the United States. The drugs were concealed within twelve bails of cotton towels on a container ship -- the Cho Yang Phoenix, which docked at Port Newark in Elizabeth, New Jersey, on January 11, 2001. The nine-month investigation culminated with seizure of the heroin by agents of the Drug Enforcement Administration and the United States Customs Service on January 12, 2001. This is one of the largest heroin seizures ever on the east coast, and the largest heroin seizure in the United States resulting from a purchase negotiated by an undercover DEA agent. The heroin has a wholesale value of approximately \$7.3 million, and a retail or street value estimated at more than \$21 million. If convicted, the defendants could face up to life in prison and \$4 million in fines.
- A jury convicted Gary James Bailey, of the Bronx, New York, of conspiring to distribute five kilograms of cocaine. As a career offender, Bailey faces a mandatory minimum sentence of thirty years and a maximum of life imprisonment. In April 1999, Daniel Clayton, who had been receiving cocaine from Bailey for distribution in Washington, DC, had arranged for Bailey to supply for \$125,000 five kilograms of cocaine, to be converted into "crack." Bailey and Clayton transported the cocaine to Washington, met two co-conspirators, and went to the Watergate Hotel to meet their customer, who was actually a DEA informant. Shortly after delivering the cocaine, Bailey and his co-conspirators were arrested. Had the conspirators converted the cocaine as planned, it would have yielded more than 70,000 dosages of "crack" with a street value of \$700,000. One of Bailey's co-conspirators was previously tried and convicted and is serving a twelve-year sentence.

BUREAU OF PRISONS

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$2,063.812	\$2,406.920	\$2,597.441
Drug Resources by Function			
Corrections	\$2,029.435	\$2,371.385	\$2,560.840
Treatment	<u>34.377</u>	<u>35.535</u>	<u>36.601</u>
Total	\$2,063.812	\$2,406.920	\$2,597.441
Drug Resources by Decision Unit			
Inmate Care and Programs	\$632.856	\$704.114	\$763.199
Institution Security and Administration	852.041	912.865	983.848
Contract Confinement	155.148	230.211	288.442
Management and Administration	83.878	84.452	86.110
New Construction	251.372	405.165	400.164
Modernization and Repair	65.993	70.113	75.678
Crime Bill:			
Inmate Care and Programs	<u>22.524</u>	<u>0.000</u>	<u>0.000</u>
Total	\$2,063.812	\$2,406.920	\$2,597.441
Drug Resources Personnel Summary			
Total FTEs (direct only)	18,332	17,922	18,960
Information			
Total Agency Budget	\$3,667.4	\$4,303.6	\$4,662.7
Drug Percentage	56.3%	55.9%	55.7%

II. METHODOLOGY

- The Bureau of Prisons' (BOP) drug budget is a percentage of the total budget for the Bureau. Drug percentages for the Salaries and Expenses (S&E) and Modernization and Repair program in the Building and Facilities (B&F) budget are based on the number of inmates projected to be incarcerated for drug convictions during the year. The drug percentage for the New Construction program in the B&F budget reflects the number of inmates projected to be incarcerated for drug convictions at the time budget year initiatives are scheduled to become operational (three to five years after appropriations). The drug percentage for drug treatment programs is 100 percent. The following are the percentages applied to other decision units to arrive at the FY 2002 drug budget: Inmate Care and Programs, Institution Security, Management and Administration, Modernization and Repair and New Construction decision units are applied at 57 percent; the Contract Confinement decision unit is applied at 45 percent.

III. PROGRAM SUMMARY

- The mission of BOP is to protect society by confining offenders in the controlled environments of prison and community-based facilities that are safe, humane, cost-efficient, appropriately secure, and which provide work and other self-improvement opportunities to assist offenders in becoming law-abiding citizens.
- All drug-related resources support Goal 2 of the *Strategy*, “Increase the safety of America’s citizens by substantially reducing drug-related crime and violence.”

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- All of the BOP's resources are in support of Goal 2 activities. The FY 2001 drug-related resources include \$2.4 billion and 17,922 direct FTEs. This represents an increase of \$343 million over the FY 2000 budget authority.
- Drug treatment funding of \$35.5 million in FY 2001 will provide adequate resources in accordance with the projected population.
- The following provides a breakdown of drug activities that will be funded in FY 2001.

Corrections Activities:

- As of February 2001, BOP provided custodial care for a total of 147,896 inmates. Of that number, 126,141, or eighty-five percent, are in BOP facilities. Approximately fifteen percent of the total population are in contract care. BOP contracts with state, local, and private correctional institutions to house 11,607 federal inmates. The BOP also houses 6,190 inmates in contract Community Correction Centers, 2,385 in a government owned and privately managed prison and 1,573 inmates are in home confinement.
- BOP has four budget accounts: Salaries and Expenses (S&E), Buildings and Facilities (B&F), the Federal Prison Industries, Inc. (FPI), and the Commissary Trust Revolving Fund. Only the first two are appropriated.
 - S&E covers the necessary expenditures for the administration, operation, and maintenance of federal correctional institutions and contract care.
 - B&F includes new construction and modernization and repair costs.
 - FPI is a government-owned corporation that provides goods and services to other federal agencies through a training employment program for federal offenders.
 - The Commissary Trust Fund operates in the prisons for inmates to purchase special (personal) items and services beyond the necessities supplied by the facilities. Commissary operations do not require appropriated funds, since all costs, including staff salaries, are financed from profits acquired by sales to inmates.

- BOP also incarcerates state and local offenders in federal facilities under certain circumstances. BOP is normally reimbursed by the states and localities for this service.

Treatment Activities:

- In response to the rapid growth in the federal inmate population having drug abuse histories, BOP has developed a comprehensive drug abuse treatment strategy consisting of four components: drug abuse education, non-residential drug abuse counseling services, residential drug abuse program, and community transitional drug abuse treatment. It is estimated that thirty-four percent of the sentenced inmate population are drug dependent and require some type of drug abuse treatment program. BOP's four drug treatment programs are summarized below:
 - **Residential Drug Abuse Program:** This program provides intensive unit-based treatment with extensive assessment, treatment planning, and group counseling. The programs are typically nine months long and provide a minimum of five hundred hours of drug abuse treatment.
 - **Drug Abuse Education:** This program provides the inmate with specific instruction on the risks involved in drug abuse; presents strategies toward living a drug-free lifestyle, while introducing the inmate to the concepts of drug treatment; and motivates the inmate to volunteer for participation in the Bureau's residential drug abuse treatment program.
 - **Non-residential Drug Abuse Counseling Services:** This program offers the flexibility for those who do not meet the requirements for, are waiting to get into, or do not have enough time to complete, the residential drug abuse treatment program. This program is also available for aftercare treatment, as needed once an inmate has completed the residential treatment program.
 - **Transitional Drug Abuse Treatment Programs:** These programs are available to inmates who have completed the Residential Drug Abuse Treatment program; or have been identified by community corrections staff as having drug use disorder and are transferred to the community corrections centers under Bureau custody. As part of their community program plan, and to assist in the adjustment back into society, these inmates continue treatment with community-based treatment providers.

FY 2002 Significant Program Changes

- The FY 2002 drug-related request includes resources of \$2.6 billion and 18,960 direct FTEs. This represents a net increase of nearly \$191 million and 1,038 FTEs over the FY 2001 enacted level. Included in the \$191 million net increase are non-recurring B&F projects funded in FY 2001 and program enhancements for new prison construction and prison activations totaling \$472.6 million. Specific enhancements include:
 - The FY 2002 budget includes a drug-related increase of \$72.6 million for: Activation of two new facilities; FCI Petersburg, Virginia and USP Lee County, Virginia adding an additional 2,240 beds; purchase initial activation equipment for FCI Glenville, West

Virginia, and USP Canaan, Pennsylvania; and 2,949 contract beds to house short-term criminal aliens and support a contract population increase.

- The drug-related portion of the new prison construction request is \$400 million in FY 2002. Program increases are requested for seven facilities (four USPs and three FCIs) with prior funding. Three of these facilities will provide capacity to absorb the Immigration and Naturalization Service long-term detainee population. In addition, funds are requested for partial site and planning of four new facilities (two secure female facilities, one USP with protective custody unit, and one FCI with protective custody unit). The FY 2002 new construction request focuses on construction funds for previously funded projects, additional secure capacity for the increasing female population, and high and medium security level facilities for male inmates.

V. PROGRAM ACCOMPLISHMENTS

- In FY 2000, 15,649 inmates participated in drug abuse education programs; 7,931 inmates participated in non-residential drug abuse treatment programs; 12,541 inmates participated in residential drug abuse treatment programs; and 8,450 inmates participated in community transition drug abuse treatment program.
- Since 1990, 126,782 inmates participated in drug abuse education; 33,873 inmates participated in non-residential drug abuse treatment; 61,759 inmates participated in residential drug abuse treatment programs; and 36,764 inmates participated in community transition drug abuse treatment programs.

COMMUNITY ORIENTED POLICING SERVICES

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$59.400	\$64.200	\$24.000
Goal 2	<u>137.000</u>	<u>310.500</u>	<u>324.100</u>
Total	\$196.400	\$374.700	\$348.100
Drug Resources by Function			
Prevention	\$59.400	\$64.200	\$24.000
State and Local Assistance	<u>137.000</u>	<u>310.500</u>	<u>324.100</u>
Total	\$196.400	\$374.700	\$348.100
Drug Resources by Decision Unit			
Public Safety and Community Policing	\$140.400	\$224.600	\$143.100
Community and Gun Prosecutors	3.300	32.900	66.400
Crime Fighting Technologies	42.900	91.200	82.600
Community Crime Prevention	0.000	15.500	45.200
Program Administration	<u>9.800</u>	<u>10.500</u>	<u>10.800</u>
Total	\$196.400	\$374.700	\$348.100
Drug Resources Personnel Summary			
Total FTEs (direct only)	78	78	78
Information			
Total Agency Budget	\$595.0	\$1,037.0	\$855.1
Drug Percentage	33.0%	36.1%	40.7%

II. METHODOLOGY

- The portion of total resources estimated for the Office of Community Oriented Policing Services (COPS) drug-related programs is 40.7 percent in 2002, 36.1 percent in 2000, and 33 percent in prior fiscal years. In general, the COPS Office applies 33 percent of all funding to drug control efforts. However, in 2001 and 2002 specific earmarked programs will be 100 percent drug control related--a prosecution assistance for Southwest Borders and a methamphetamine initiative. The Department of Justice, in consultation with ONDCP developed the methodology employed to estimate the proportion of total resources for all other COPS programs. The methodology is based on the assumption that approximately one-third of the funding supports drug-related functions, particularly since a significant amount of law enforcement activities are directed towards drug infested neighborhoods, drug trafficking-related problems, and drug prevention efforts.

III. PROGRAM SUMMARY

- Statutory authority for the COPS program is derived from the Violent Crime Control and Law Enforcement Act of 1994. The COPS program, which includes grant resources to fund

police hiring, redeployment, training, technical assistance, and evaluation programs, is a critical component of the *Strategy*. COPS supports Goal 1 of the *Strategy* by providing funds for school resource officers and safe school initiatives. Goal 2 support includes hiring and redeployment of law enforcement officers and other community law enforcement personnel, along with providing funds for innovative programs including research, technical assistance and evaluation to improve crime-solving techniques, crime fighting technologies, and crime prevention programs.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The FY 2001 program provides \$64.2 million in support of Goal 1 activities. Specific activities funded include:
 - **COPS-in-Schools:** The COPS-in-Schools Hiring Initiative will provide up to a total of \$179.6 million, of which \$59.3 million is dedicated to drug control efforts, to fund law enforcement officers who will be directly assigned to schools. The community policing officers will perform a variety of vital functions, among which is teaching crime prevention and substance abuse classes.
 - **Safe Schools Initiative:** The COPS Office will provide a total of \$15 million, of which \$4.9 million is dedicated to drug control efforts, in funding for law enforcement agencies to partner with schools, probation agencies, and community organizations to address problems of school crime. Grantees will be used to target a specific school, group of schools, or to address crime and safety problems in a larger school system.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The FY 2001 program provides \$310.5 million in support of Goal 2 activities. Specific activities funded include:
 - **Hiring Initiatives:** COPS is providing a total of \$249.5 million, of which \$82.4 million is dedicated to drug control, to hire and re-deploy officers, as well as train and educate law enforcement officers, through the use of Training and Technical Assistance grants. Funding will build on COPS existing Universal Hiring program and the Making Officer Re-deployment Effective program.
 - **Non-Hiring Initiatives:** COPS Office has committed \$138.2 million (\$80 million for drug control efforts) for non-hiring programs, including the Bulletproof Vests, Police Corps, Indian Country, and Methamphetamine programs. Funding is included to support a variety of drug enforcement and prevention efforts, consistent with community policing objectives. Specifically, \$48 million is included to support enforcement activities and clean-up costs associated with methamphetamine.

- **Crime Prevention:** The COPS Office has dedicated \$46.9 million, of which \$15.5 million is drug-related, for two prevention programs: Police Integrity and Offender Re-Entry.
- **Crime Fighting Technology:** The COPS Office has committed a total of \$276.5 million, of which \$91.2 million is dedicated to drug control efforts, to support crime technology efforts. COPS will provide drug control funding of \$48.4 million for grants to provide crime-fighting technologies to local law enforcement jurisdictions. These technologies range from improved radio communication equipment to in-car cameras meant to increase officer safety while on traffic stops. In addition, \$42.8 million in drug control funding will be dedicated to supporting the Crime Identification Technology Assistance (CITA) Act.
- **Community Prosecutors:** A total of \$99.8 million, of which \$32.9 million is drug-related, will provide discretionary grants to state, local, and tribal jurisdictions and prosecutors' offices. Funding will substantially increase the number of local prosecutors interacting directly with members of the community and to encourage local prosecutors to reorient their emphasis to tough enforcement at a community level, with a special emphasis on gun violence.
- **Management and Administration:** The COPS Office is dedicating 235 FTE and a total of \$31.7 million, of which \$10.5 million is related to drug control efforts, for the administration of the above programs.

FY 2002 Significant Program Changes

- The COPS' total FY 2002 drug control requested level is \$348.1 million, a net decrease of \$26.6 million from the FY 2001 enacted level.
- The FY 2002 request maintains \$48 million in spending for methamphetamine activities. Specifically, \$20 million will provide to support state and local authorities to help in the clean up of dangerous methamphetamine laboratories and \$28 million for enforcement activities aimed at methamphetamine.
- The FY 2002 request also includes a new \$50 million grant program that will aid counties along the Southwest Border with the costs of detaining and prosecuting drug cases referred to them by U.S. Attorneys.

V. PROGRAM ACCOMPLISHMENTS

- In FY 2000 the COPS Office continued to provide grants, through the COPS-in-Schools program, to fund additional school resource officers to law enforcement agencies who partner with local schools. The partnerships focus on developing strategies to utilize problem solving and community policing techniques to prevent school violence and the implementation of educational programs. The Office funded an additional 1,160 school resource officers nation-wide. This brings the total funded to-date to over 3,200 officers.

- In FY 2000, the COPS Office funded an additional 4,116 officers through the Universal Hiring Program (UHP). In addition, the Office funded, through technology and direct civilian hiring, the redeployment of 1,521 officers. Together with the COPS-in-Schools program, the COPS Office has funded over 109,000 officers since 1995.

CRIMINAL DIVISION

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$17.810	\$18.819	\$20.019
Goal 4	3.502	3.683	4.028
Goal 5	<u>11.706</u>	<u>12.563</u>	<u>13.400</u>
Total	\$33.018	\$35.065	\$37.447
Drug Resources by Function			
Prosecution	\$29.078	\$30.943	\$32.886
International	<u>3.940</u>	<u>4.122</u>	<u>4.561</u>
Total	\$33.018	\$35.065	\$37.447
Drug Resources by Decision Unit			
Organized Crime and Narcotics	\$10.545	\$11.113	\$11.719
International	3.940	4.122	4.561
Litigation Support	14.611	15.657	16.540
Management and Administration	<u>3.922</u>	<u>4.173</u>	<u>4.627</u>
Total	\$33.018	\$35.065	\$37.447
Drug Resources Personnel Summary			
Total FTEs (direct only)	253	254	255
Information			
Total Agency Budget	\$104.5	\$110.6	\$119.8
Drug Percentage	31.6%	31.7%	31.3%

II. METHODOLOGY

- The Criminal Division's drug budget figures are derived by estimating the level of involvement of each Division component in drug-related activities. Within the Division's Decision Units, each component is required to estimate the percentage of work/time that is spent addressing drug-related issues in relation to the goals and functions of the *National Drug Control Strategy*. This percentage is then applied against each component's overall resources to develop an estimate of those resources dedicated to drug-related activities. Component totals are then aggregated to determine Decision Unit totals.

III. PROGRAM SUMMARY

- The Criminal Division programs support Goals 2, 4, and 5 of the *Strategy*. Several components of the Criminal Division are involved in these efforts.
- **Organized Crime and Racketeering Section (OCRS)** efforts go towards destroying the major trafficking organizations by convicting and incarcerating their leaders. OCRS resources are used to ensure that indictments are properly secured, that organized crime cases

are prosecuted, and that overall organized crime prosecution policies are developed and implemented.

- The **Narcotic and Dangerous Drug Section** (NDDS) responsibilities include the development and implementation of domestic and international narcotics law enforcement programs and policies, and the provision of direct litigation support to the Organized Crime Drug Enforcement Task Force (OCDETF) and the High Intensity Drug Trafficking Area (HIDTA) programs. NDDS attorneys represent the Department in developing and administering cooperative drug enforcement strategies, initiatives, and projects conducted by the law enforcement and intelligence communities, including the National and International Drug Control, Crack Cocaine, Methamphetamine, Heroin, and Marijuana Strategies.
- The **Office of International Affairs** (OIA) promotes interdiction efforts through bilateral and multi-lateral agreements. These agreements lay the groundwork for enhanced intelligence sharing and cooperation towards interdiction strategies. OIA helps identify and establish relations with those countries who have the political will to stop traffickers from using their national territories to produce or transport narcotics.
- The **Asset Forfeiture and Money Laundering Section** (AFMLS) maximizes the effectiveness of the money laundering and asset forfeiture statutes as a deterrent to crime. In pursuing this mission, the AFMLS is committed to dismantling and destroying criminal organizations, both foreign and domestic, to deprive drug traffickers, racketeers, and other criminals of the profits, proceeds and instrumentalities of their trade.
- The **Office of Enforcement Operations** (OEO) oversees the use of the most sophisticated investigative tools at the Department's disposal, including electronic surveillance and the Federal Witness Security Program. The Office provides legal advice to federal, state, and local law enforcement agencies on the use of the federal electronic surveillance statutes, and assists in developing Department policy on emerging technologies, telecommunications issues, and witness protection operations.
- The **Appellate Section** supports the Division's counternarcotics activities by reviewing acquittals and appealing adverse decisions in the U.S. Circuit Courts of Appeals and in the Supreme Court.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 2: Increase the Safety of America's Citizens by Substantially Reducing Drug-Related Crime and Violence

- Drug control spending in support of Goal 2 activities for FY 2001 totals \$18.8 million. The activities supported under this Goal includes functions of Criminal Division's Asset Forfeiture and Money Laundering Section, the Office of Enforcement Operations, and the Narcotics and Dangerous Drug Section.

Goal 4: Shield America's Air, Land, and Sea Frontiers from the Drug Threat

- Drug control spending in support of Goal 4 activities for FY 2001 totals \$3.7 million. Activities receiving funds under this Goal include the Narcotics and Dangerous Drug Section's support of the Department's Southwest Border Initiative and enforcement programs targeting major Mexican trafficking organizations.

Goal 5: Break Foreign and Domestic Drug Sources of Supply

- Drug control spending in support of Goal 5 activities for FY 2001 totals \$12.6 million. Criminal Division's supports this Goal through activities conducted by the Office of International Affairs and the Narcotics and Dangerous Drug Section. Attorney's from the Narcotics and Dangerous Drug Section represent the Department in developing and administering cooperative drug enforcement strategies, including the national and international drug control, methamphetamine, heroin, and marijuana strategies.

FY 2002 Significant Program Changes

- The FY 2002 drug control budget request is \$37.4 million and 255 FTEs. This represents an increase of \$2.4 million and 1 FTE over the FY 2001 enacted level.
- The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- Operation "Impunity" dismantled an entire trafficking organization through identifying and arresting major cell heads operating inside the United States. Their arrests and those of ninety subordinates disabled all facets of their organization. As a result, 12,434 kilograms of cocaine and more than 2.4 tons of marijuana were seized, along with \$19 million in U.S. currency and another \$7 million in assets.
- Operation "Southwest Express," an OCEETF and HIDTA operation coordinated through SOD, was designed to dismantle a U.S. transportation and distribution network thought to be supplied by the Sotelo-Lopez drug trafficking organization based in Ciudad Juarez, Mexico. The operation brought a national and strategic perspective to halting drug trafficking activities, ranging from street-level distribution to major transportation cells. Drugs were moved by railway, tractor-trailer, and other vehicles, often concealed in bundles of used clothing. Federal prosecutors from ten U.S. Attorneys' offices and five federal law enforcement agencies, in cooperation with more than twenty states and local agencies, brought drug and money laundering charges against one hundred people.
- Operation "Mountain Express," targeted brokers of methamphetamine precursor chemicals, which resulted in 150 arrests in ten judicial districts nationwide, seizures of ten metric tons of pseudoephedrine capable of producing 18,000 pounds of methamphetamine, eight-three pounds of finished methamphetamine, two pseudoephedrine extraction laboratories, one methamphetamine laboratory, 136 pounds of processing chemicals, and \$8 million in cash.

- Operation "Rio Blanco," a multi-district SOD operation, resulted in the arrest of fifty-five individuals and the seizure of more than 3,000 kilograms of cocaine and over \$15 million in U.S. currency. The principal targets included high-ranking associates of the Arellano Felix organization in Mexico, responsible for smuggling substantial quantities of cocaine into the United States.

DRUG ENFORCEMENT ADMINISTRATION

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$3.476	\$3.741	\$4.060
Goal 2	640.854	689.841	748.654
Goal 4	441.470	475.216	515.731
Goal 5	<u>255.523</u>	<u>275.055</u>	<u>298.505</u>
Total	\$1,341.323	\$1,443.853	\$1,566.950
Drug Resources by Function			
Investigations	\$914.608	\$984.521	\$1,068.457
Intelligence	140.434	151.169	164.056
International	263.689	283.845	308.045
State and Local Assistance	14.082	15.158	16.451
Prevention	3.476	3.741	4.060
Research and Development	<u>5.034</u>	<u>5.419</u>	<u>5.881</u>
Total	\$1,341.323	\$1,443.853	\$1,566.950
Drug Resources by Decision Unit			
Domestic Enforcement	\$376.984	\$404.262	\$438.800
Foreign Coop Investigations	200.678	206.644	211.112
Chemical	14.598	16.156	17.313
State and Local Task Forces	233.073	242.257	257.355
Intelligence	106.133	112.904	120.918
Laboratory Services	42.833	44.463	60.562
Training	19.861	20.309	20.668
Research, Engineering, and Technical Operations	81.050	85.190	89.554
ADP and Telecommunications	96.994	140.479	171.501
Management and Administration	83.289	87.646	93.146
Construction	5.500	0.000	0.000
Drug Diversion Control Fee Account	<u>80.330</u>	<u>83.543</u>	<u>86.021</u>
Total	\$1,341.323	\$1,443.853	\$1,566.950
Drug Resources Personnel Summary			
Total FTEs (direct only)	7,991	8,068	8,171
Information			
Total Agency Budget	\$1,341.3	\$1,443.9	\$1,567.0
Drug Percentage	100%	100%	100%

II. METHODOLOGY

- All of the Drug Enforcement Administration's resources are 100 percent drug-related.

III. PROGRAM SUMMARY

- DEA is the lead federal agency for the enforcement of narcotics and controlled substance laws and regulations. The agency's priority mission is the long-term immobilization of major drug trafficking organizations through the removal of their leaders, termination of their trafficking networks and seizure of their assets.
- Four strategic areas drive DEA's resource requirements. They are:
 - International Impact Targets: DEA will eliminate the power and control of the Major Drug Trafficking Organizations (MDTO) and dismantle their infrastructure through disrupting and dismantling the operations of their supporting organizations that provide raw materials and chemicals, produce and transship illicit drugs, and launder money worldwide and halt the operations of their surrogates in the U.S.
 - National/Regional Impact Targets: DEA will continue an aggressive and balanced enforcement program with a multi-jurisdictional approach designed to help focus federal and interagency resources on illegal drug traffickers, their organizations and key members who have control of an area within a region in the U.S. and the drugs and assets involved in their activities.
 - Local Impact Activities: DEA will continue to attack the violence that plagues our cities, rural areas and small towns from the impact of drugs and help restore a positive quality of life to our citizens. DEA considers this an important part of its overall strategy to complement the state and local efforts with specialized programs that bring DEA's intelligence, expertise, and leadership into specific trouble spots throughout the nation.
 - Management Infrastructure: DEA will create an environment in which the agency's support requirements--in areas such as human resources, facilities, security, information management, financial management, and procurement--are anticipated and met in a timely and efficient manner.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- In FY 2001, DEA will spend \$3.7 million for demand reduction programs that provide leadership, coordination, and resources for drug prevention and education.
- The five priorities of this program are: Anti-Legalization Education; Training for Law Enforcement Personnel; Youth Programs; Support for Community-Based Coalitions; and, Sports Drug Awareness Programs. Special Agents in each of DEA's twenty-one domestic field divisions operate these programs.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The FY 2001 program provides \$689.9 million for programs that support Goal 2 of the *Strategy*. Activities to be funded in FY 2001 include:
 - **State and Local Assistance:** provides a diverse, creative, and all-encompassing federal response to the multi-faceted and complex drug problem to state and local law enforcement agencies. The program expands the work force under DEA's supervision; provides state and local officers with special equipment and conveyances when needed for DEA undercover operations; contributes substantial intelligence information; and achieves enhanced cooperation with local banks, thus improving DEA's ability to obtain emergency flash rolls and temporary storage of funds.
 - **Mobile Enforcement Teams (METs):** provide a supportive role in investigations that are targeted by state and local agencies based on their own local priorities. The mission of the MET program is to dismantle drug organizations by securing the conviction and incarceration of those individuals dealing drugs and causing violence in America's communities.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- DEA's FY 2001 program includes \$475.2 million to support Goal 4 activities. The following are some of the law enforcement activities to be funded in FY 2001:
 - **El Paso Intelligence Center (EPIC):** assists international and domestic drug trafficking investigations by providing query access to more than 100 million agency computer records. EPIC has grown to serve fifteen federal agencies, all fifty states, Canada, Puerto Rico, the Virgin Islands, and Guam. EPIC also coordinates training in the methods of highway drug and currency interdiction through its Operation Pipeline program. EPIC personnel coordinate and conduct training seminars throughout the U.S., covering such topics as methods of concealment used by drug traffickers.
 - **Special Operations Division:** is a combined DEA, FBI, Criminal Division, IRS, U.S. Customs Service, and U.S. Department of Defense effort that supports ongoing investigations by producing detailed and comprehensive data analyses of the activities of the MDTO's. The Special Operations Division's mission is to provide criminal investigators with the capability to fully exploit federal law enforcement's investigative authority under Title III of the U.S. Code. This program supports both Goals 4 and 5 activities.

Goal 5: Break foreign and domestic drug sources of supply.

- DEA's FY 2001 program includes \$275.1 million to support Goal 5 activities. The following are some of the activities to be funded in FY 2001:
 - **Domestic Enforcement Program:** includes the investigative operations of DEA's twenty-one field divisions, the operational coordination functions located at DEA

Headquarters, Special Enforcement Programs, Communications Intercept Operations, and the Domestic Cannabis Eradication/Suppression Program. Specifically, the Domestic Enforcement Program employs the majority of the Special Agent work force and is responsible for conducting investigations of drug production and trafficking activities within the U.S. Domestic enforcement personnel use a variety of investigative tools, including electronic surveillance, informants, and undercover operations, to acquire intelligence information that aids in dismantling, prosecuting, and eliminating drug production and trafficking organizations.

- **Foreign Cooperative Investigations Program (FCIP):** advise, assist, and encourage foreign governments to reduce the trade and supply of illicit drugs within their countries. DEA also works with foreign governments on the investigation of high-level international trafficking organizations that have a direct impact on the U.S. In pursuing these aims, DEA coordinates drug intelligence collection and investigations with foreign law enforcement agencies, and participates in bilateral and multilateral drug suppression programs.
- **Drug and Chemical Diversion Control:** This program is responsible for enforcing the Chemical Diversion and Trafficking Act of 1988, Article 12 of the United Nations Convention against Illicit Drug Traffic of 1988, the Methamphetamine Control Act of 1996, and the Anabolic Steroid Control Act of 1991. In performance of this mission, DEA utilizes Diversion Investigators, Special Agents, Chemists, Pharmacologists, Program Analysts, and others to monitor legal and illegal movement of controlled drugs and chemicals across U.S. borders.
- **Marijuana Eradication:** DEA's Domestic Cannabis Eradication and Suppression Program (DCE/SP) mission is to halt the spread of marijuana cultivation in the U.S. DEA coordinates the DCE/SP program by completing Letters of Agreement (grant-like funding contracts) with state and local law enforcement agencies, in response to their operational plan to combat marijuana eradication and conduct suppression programs for their states.
- **Clandestine Laboratory Hazardous Waste Removal:** EPA regulations require law enforcement to perform clandestine laboratory cleanup duties as if it were a "generator" of hazardous waste and thus bear responsibility for removal of that waste. After processing a clandestine laboratory for criminal prosecution, DEA fulfills its obligations as "generator" by paying a certified contractor to remove all hazardous waste and contaminated materials from the site.

FY 2002 Significant Program Changes

- The FY 2002 budget for DEA includes a request of \$1,567.0 million and 8,171 FTEs. This represents a \$123.1 million increase over FY 2001 enacted levels, of which \$58.2 million is associated with program enhancements. These enhancements include:
 - **+\$15.1 million (Special Operations Division (SOD)** for Communication Intercept Technology, Contract Linguists, and Title III Investigations/Support.

- **+\$13.1 million** to expand DEA's Forensic Support/Laboratory operations to keep pace with activities associated with the Southwest Border Initiative, rising methamphetamine activity, and increased drug flow in the Caribbean.
- **+\$30 million** for FIREBIRD. FIREBIRD is DEA's primary information technology infrastructure, designed to provide office automation support for the full spectrum of the agency's global operations. FIREBIRD is a client-server-based network that, once fully deployed, will link all DEA offices and components worldwide with an enhanced electronic communications network. This enhancement will continue deployment of the FIREBIRD system to 354 locations worldwide, including 78 foreign offices and 276 domestic field offices.

V. PROGRAM ACCOMPLISHMENTS

Domestic Enforcement Programs

- **Operation Cali-Man:** In August 1997, the Miami Field Division was granted an Attorney General's Exemption until January 2000 which allowed DEA to conduct a money laundering investigation using undercover financial transactions to identify organizational targets. (Since the expiration of the exemption, Cali-Man no longer launders drug trafficker funds.) Using its undercover transactions, Operation Cali-Man helped DEA initiate forty separate investigations of money laundering cells that operate across the country. Supporting this operation were the DEA Field Divisions in New York, Houston, Los Angeles, Boston, and Chicago, along with their district and resident offices, and foreign offices in Colombia, Panama and Spain. While operating under the Attorney General's exemption, Cali-Man laundered \$7.6 million and generated information that led to over 161 Title III intercepts, 171 arrests, and over \$82 million in seizures (\$27.8 seized directly by Cali-Man). This operation involved representatives from the INS, IRS, U.S. Postal Service, Metro-Dade Department of Public Safety, and police departments from North Miami Beach, Aventura, Indian Creek and Homestead, Florida.

International Operations Program:

- **Operation Millennium** effectively targeted major cocaine suppliers who were responsible for shipping vast quantities of cocaine from Colombia through Mexico into the United States. Phase One of this operation culminated in October 1999 with the arrest of thirty-two defendants and the seizure of 13.7 metric tons of cocaine and over \$2.25 million in U.S. currency. Additionally, forty-four of the most significant Colombian and Mexican traffickers operating today were included in three separate superceding indictments. Operation Millennium successfully demonstrated that even the highest level traffickers based in foreign countries could not conduct drug operations inside the U.S. with impunity.

FEDERAL BUREAU OF INVESTIGATION

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$119.844	\$136.854	\$120.310
Goal 4	117.432	134.099	117.889
Goal 5	<u>472.280</u>	<u>539.311</u>	<u>474.119</u>
Total	\$709.556	\$810.264	\$712.318
Drug Resources by Function			
Investigations	\$658.851	\$752.822	\$661.429
Intelligence	37.536	42.863	37.682
International	9.934	11.344	9.972
Research and Development	<u>3.235</u>	<u>3.235</u>	<u>3.235</u>
Total	\$709.556	\$810.264	\$712.318
Drug Resources by Decision Unit			
Organized Criminal Enterprises	\$306.020	\$376.770	\$350.856
White-Collar Crime	74.348	78.538	82.934
Violent Crimes	82.277	86.525	87.570
Training, Recruitment and Applicant	18.863	19.643	20.138
Forensic Services	20.425	20.651	21.149
Information Management, Automation and Telecommunications	36.137	36.948	51.562
Technical Field Support and Services	22.824	24.158	27.447
Criminal Justice Services	23.339	35.731	37.170
Management and Administration	<u>27.323</u>	<u>30.811</u>	<u>33.492</u>
Subtotal	\$611.556	\$709.775	\$712.318
Carrier Compliance	<u>98.000</u>	<u>100.489</u>	<u>0.000</u>
Total	\$709.556	\$810.264	\$712.318
Drug Resources Personnel Summary			
Total FTEs (direct only)	5,430	5,235	5,240
Information			
Total Agency Budget	3,235.8	3,429.5	3,488.1
Drug Percentage	21.9%	23.6%	20.4%

II. METHODOLOGY

- The Federal Bureau of Investigation (FBI) is a multi-jurisdictional federal investigative agency. The FBI's counterdrug effort includes the drug-related portion of the Organized Criminal Enterprises (OCE) and the Violent Crimes decision units and a proportional share of other FBI activities. The term "drug-related" denotes any investigative or support program that impacts the FBI's efforts to reduce drug trafficking and related criminal enterprises.

- The FBI continually reviews the drug control methodology to validate that the approach is consistent with Bureau operations and procedures. During the most recent review, the FBI has made some minor adjustments to the scoring methodologies used to determine the percentage of drug-related resources supporting each goal and function.
- The FBI's Investigative Technologies Branch, Laboratory Division, through coordination with the Counterdrug technology Assessment Center (CTAC), has re-examined its R&D drug-related programs and found that a number of programs should have not been categorized under this drug control function. Historically, the FBI included the total costs associated with the research, development and engineering services dedicated to drug-related activities under the heading of R&D. The FBI is now reporting only the Research portion of the definition beginning with FY 2000. This change results in a re-allocation among the drug control functions, not a reduction in the FBI's drug control budget. The change results in a re-allocation of \$23.3 million away from drug-related research to other functions such as Intelligence and Investigations.

III. PROGRAM SUMMARY

- The FBI is charged with investigating all violations of federal laws with the exception of those statutorily assigned to other agencies. The FBI's jurisdiction includes a wide range of responsibilities in the civil, criminal, and national security fields. Among these are terrorism, kidnapping, extortion, bank robbery, interstate transportation of stolen property, civil rights matters, interstate gambling violations, narcotics violations, fraud against the government, money laundering, and assault or murder of the President or a federal officer. The FBI's five-year strategy and management philosophy apply to all criminal investigative programs to ensure a focus on crime problems facing the citizens of the U.S.
- The FBI's Strategic Plan and Organized Crime Drug Program Plan were developed in accordance with the *National Drug Control Strategy*. The Strategic Plan and Organized Crime Drug Program Plan focuses FBI counter-narcotics resources against nationally targeted organizations and their affiliates. Since the adoption of these critical planning documents, the most significant change in the strategic situation is that the FBI has identified those drug trafficking organizations deemed to have the greatest impact on the overall threat of drug trafficking in the United States and is attempting to redirect FBI drug resources to address those specific drug trafficking organizations and their affiliate organizations.
- The FBI has developed, and annually updates, a list of major drug trafficking organizations that are identified as national priority targets. These national priority targets comprise the FBI's National Priority Target List (NPTL), which currently consists of fourteen major international drug trafficking organizations. The fourteen international trafficking organizations include six Mexican organizations, six Colombian organizations and two Caribbean organizations. The NPTL selection resulted from a comprehensive review of major international drug trafficking organizations with input from FBI field divisions, Special Operations Division (SOD), Drug Enforcement Administration, U.S. Customs Service, Office of National Drug Control Policy, National Drug Intelligence Center and El Paso Intelligence Center.

- The FBI's counterdrug effort focuses on identifying, disrupting and dismantling drug trafficking organizations through long-term, sustained investigations. The FBI's Strategic and Drug Program Plans require field offices to identify national priority targets in the field office's area of responsibility and dedicate a majority of the field office's OCE resources toward dismantling the organizations. A key component of dismantling a drug trafficking organization includes seizing and forfeiting the illicit assets of drug trafficking organizations.
- The Organized Crime Drug Program Plan identifies the goals and objectives of the FBI's counterdrug program. Other program plans, including those of the Violent Crimes and Major Offenders Programs, directly or indirectly support the FBI's Organized Crime Drug Program Plan through drug-related criminal investigations.
- The FBI's counterdrug effort is driven by the FBI's criminal intelligence base. The FBI's criminal intelligence base is manifested in criminal intelligence squads and other intelligence entities which coordinate the gathering, analysis, and dissemination of information among field offices and other federal, state and local intelligence agencies. The FBI's criminal intelligence base serves to identify individuals, methods and trends, and projects criminal activity to allow the concentration of resources in major centers of drug trafficking.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- The FBI's FY 2001 budget totals \$810.3 million and 5,235 direct FTEs that support Goals 2, 4, and 5 of the *Strategy*. The following provides a summary of FY 2001 resources by *Strategy* goal.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The FY 2001 funding for Goal 2 totals \$136.9 million. The FBI supports Goal 2 through the efforts of 164 Safe Street Task Forces, as well as a host of ad hoc task forces operating throughout the U.S. and San Juan, Puerto Rico. The Safe Street Task Forces team has more than 730 FBI Special Agents, with 135 other federal officers from agencies such as DEA, Marshals Service, Immigration and Naturalization Service, Secret Service, Bureau of Alcohol, Tobacco and Firearms, and more than 1,235 state and local officers. Safe Street Task Forces allow the FBI, other agencies, and law enforcement personnel to address gang and drug-related violence through the establishment of long-term, proactive task forces focused on violent gang crimes and the apprehension of violent fugitives. Through the primary targets of the Safe Street Task Forces' are the violent street gangs, most of these gangs are involved in and finance their activities through the distribution of drugs.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The FY 2001 funding for Goal 4 totals \$134.1 million. Although the FBI supports Goal 4, it is not an interdiction agency. Rather, the FBI supports Goal 4 through its investigations that disrupt and dismantle criminal organizations smuggling drugs across America's frontiers,

especially along the Southwest Border and in the Caribbean. Investigations conducted away from the nation's borders impact a criminal organization's efforts to smuggle drugs across the nation's borders; therefore, FBI resources and investigative efforts are located in the geographic areas of the border to support Goal 4.

Goal 5: Break foreign and domestic drug sources of supply.

- The FY 2001 funding for Goal 5 activities totals \$539.3 million. The FBI supports Goal 5 by continuing to identify, disrupt, and dismantle core trafficking organizations through long-term, sustained investigations aimed at dismantling trafficking networks, arresting their leadership, and seizing and forfeiting their assets. The FBI's expertise is effective because of the experience and training of its agents, especially in the application of the Enterprise Theory of Investigation, the broad Title 18 and Title 21 statutory jurisdictions at its disposal, the FBI's presence throughout the country and its history as a methodical and thorough investigative agency.
- The FBI also supports Goal 5 through efforts to strengthen cooperative efforts with Mexico in support of the Director of Investigative Agency Policy (DIAP) Resolution 6. The FBI is participating in bi-national task forces targeting border crime. In addition, the FBI has appointed agents as Mexican border liaison officers to ensure any diplomatic and investigative issues are resolved expeditiously.
- Goal 5 is further supported within the framework of the Communications Assistance for Law Enforcement Act (CALEA) of 1994, through which the FBI seeks to preserve and maintain the existing capabilities of federal, state and local law enforcement to lawfully conduct court-authorized electronic surveillance in a rapidly changing telecommunications environment.

FY 2002 Significant Program Changes

- The FBI's FY 2002 request supports Goals 2, 4, and 5 of the *Strategy* and totals \$712.3 million, a net reduction of \$97.9 million from the FY 2001 enacted level. Included in the overall request are enhancements totaling \$26.1 million. Principal changes are highlighted below.
 - **+\$21.2 million (Trilogy Program)** Trilogy supports the FBI's information technology (IT) strategy that is critical to the success of Bureau operations. The FBI's Strategic Plan for 1998-2003 directly depends on the successful execution of the IT strategic plan to achieve its operational objectives. The execution of this plan requires a sophisticated intelligence capability that depends on information collection, processing, analysis, and dissemination.

The FBI's implementation of the Trilogy program will provide upgraded desktop equipment for FBI field office users, an upgraded wide area network capable of providing increased throughput of data for more timely access to information, upgraded local area networks to increase the reliability and speed of local processing of information,

Telephone Application, and Intelligence Application for more timely access to information.

- **+\$2.0 million (Telecommunications Services)** This enhancement will increase bandwidth to existing and proposed overseas locations and other remote FBI locations. It will also replace legacy telecommunications equipment currently being used to access the State Department's worldwide network. Technology upgrades (i.e., data circuits, encryption devices, and a multi-plexer) are necessary at current overseas offices and other off-site office to support investigative and administrative applications. The requested funding will support an increased bandwidth that will result in faster transmission of data and greater functionality.
- **+\$1.4 million (Counter-Encryption)** Widespread use of digitally-based telecommunications technologies, and the unprecedented expansion of computer networks incorporating privacy features/capabilities through the use of cryptography (i.e., encryption), has placed a tremendous burden on the FBI's electronic surveillance technologies. The potential use of encryption products by a vast array of criminals involved in drug trafficking poses an extremely serious threat to effective law enforcement and ultimately to public safety. This enhancement will expand FBI's counter-encryption capabilities.
- **+\$1.3 million (Network Interception)** The recent emergence of low cost computers, the Internet, and sophisticated users have led to an increase in "high-tech" crime, placing pressure on the investigator to apply "high-tech" investigative techniques and approaches to keep pace. In support of the drug-related investigations and other national FBI investigative priorities, the FBI requires an effective and improved capability for conducting interceptions of data communications such as e-mail, file transfer (e.g., exchange of contraband images), and the Internet Relay Chat (IRC). This enhancement will allow the FBI to better address this emerging medium of drug-related activities.
- **+\$0.2 million (Tactical Operations Support)** Funding is requested to provide the personnel and technical expertise to successfully conduct surreptitious entries as authorized by court orders. Such activities are critical to drug-related investigations, especially those that target some of the most sophisticated and diverse organized criminal enterprises involved in drug-trafficking.
- The FY 2001 Justice Appropriations Act, after the government-wide rescission, provided a total of \$200,977,000 for the Telecommunications Carrier Compliance Fund. Of this amount, \$100 million was scored as drug-related in the FBI's Drug Control Budget. A total of \$499,557,000 of the \$500,000,000 authorized by the Communications Assistance for Law Enforcement Act has been provided in multiple fiscal years; no additional funding is requested for FY 2002. The necessary funding to support the requirements under the carrier compliance program is complete as of FY 2001, resulting in a reduction of \$100 million between the FY 2001 appropriation and FY 2002 request level.

V. PROGRAM ACCOMPLISHMENTS

- In conjunction with the DEA and New York Metropolitan Police Department, in October, 1998, the FBI initiated an investigation of the Bonanno La Cosa Nostra crime family members and associates involved in murder, extortion, and drug trafficking. The case involved court authorized electronic surveillance and targeted fourteen members and associates to include the Bonanno LCN Consigliere, Anthony Spero. In May 1999, these fourteen individuals including Spero were indicted for murder, murder conspiracy, extortion, and drug trafficking. Between October of 1999 and April of 2000 several superseding indictments were returned by a federal grand jury charging additional Bonanno LCN associates. Two of these defendants were charged with capital murder. In total, eighteen subjects were charged and arrested. Of the total charged the following represents the results: two have plead guilty and are now cooperating; seven defendants have entered negotiated pleas ranging from three to five years; three of the defendants plead guilty to a Racketeer Influenced and Corrupt Organizations Act (RICO) conspiracy and will likely receive life sentences; and two are awaiting trial.
- On August 8, 2000, the Washington Metropolitan Safe Streets Homicide, Gang and Major Case Team (MCT), consisting of investigators from the FBI and the Washington Metropolitan Police Department (MPD), Weed and Seed Initiative, severely disrupted the Ricardo Lanier Organization (RLO)'s operation by executing 25 federal arrest warrants and 30 federal search warrants on members of the RLO. The arrests encompassed the leadership structure of the RLO and the seizures led to the recovery of over \$1 million, over \$300,000 in bank accounts, stocks, and real property, and over five kilograms of heroin. In 1999, the MCT in conjunction with the Department of Housing and Urban Development (HUD) quickly identified the RLO as a major heroin trafficking organization, which was involved in drug distribution and associated violence in the Langston Terrace area of Northeast Washington, D.C. The take down operation, pending anticipated convictions, will inevitably lead to the dismantlement of the RLO and have a significant positive impact on the quality of life for residents in and around the Langston Terrace community in the District of Columbia.
- "Cactus Star," an investigation initiated as part of a Southwest Border Public Corruption Initiative involving both FBI and the Arizona Department of Public Safety investigation targeted a local Judge involved in the purchase of military surplus items that were sold to Mexican traffickers in exchange for drugs. The undercover agent then represented to the Judge that the drugs were sold through connections in Los Angeles with significant profits distributed to the Judge. The defendant was also involved in money laundering activity and fixing traffic citations and other court documents. In April 2000, the defendant, a former City Magistrate and Justice of the Peace for Douglas, Arizona, appeared in state court, Bisbee, Arizona, and entered guilty pleas to two state felony charges of Conspiracy to Tamper with Public Court Records and Attempted Fraudulent Scheme and Practices, as part of a plea agreement with the Arizona Attorney General's Office. Under the plea agreement, the defendant will pay \$87,500.00 to the Arizona Attorney General's Office. On May 30, 2000, the defendant was charged and sentenced to three months jail and three years probation. The defendant was also ordered to pay \$87,500.00 in fines, as per the plea agreement, and the forfeiture of \$10,000, both to the Arizona Anti-Racketeering Fund.

- "Operation China Mission" was a joint investigation that began in 1997, where agents and Officers from the FBI, DEA, Internal Revenue (IRS), USCS, INS and the Texas Department of Public Safety began investigating Juan Lozano-Tijerina as leader of Mexican Drug Trafficking Organization, referred as the Juan Lozano Organization (JLO). The JLO is responsible for the transshipment of large quantities of cocaine and marijuana into the United States along the Southwest Border. Other FBI, DEA and USCS investigations had previously identified Lozano as the owner of approximately 2,200 kilograms of cocaine and 1,800 pounds of marijuana seized in St. Louis, Missouri, Waukegan, Illinois, and McAllen, Texas. In early 2000, the FBI conducted a series of court authorized intercepts on members of the JLO which resulted in the seizure of 5,012 pounds of marijuana in Dallas Texas; Houston, Texas; Chicago, Illinois; Bolling Brook, Illinois; and Lansing, Michigan. An additional 1,400 pounds of marijuana were seized in McAllen, Texas. The court authorized intercepted information also linked the investigation to additional investigations in the FBI, US Customs Service and IRS. These "spin-off" investigations resulted in 35 indictments and 20 arrests. In total, the FBI original investigation resulted in the federal indictment of 21 subjects in the Southern District of Texas, seven indictments and three arrests in Chicago, Illinois; and two indictments two arrests in Lansing, Michigan; and seizure of 6,502 pounds of marijuana.

FEDERAL PRISONER DETENTION

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$332.900	\$363.220	\$440.607
Drug Resources by Function			
Corrections	\$332.900	\$363.220	\$440.607
Drug Resources by Decision Unit			
Care of U.S. Prisoners	\$332.900	\$363.220	\$440.607
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Information			
Total Agency Budget	\$533.4	\$597.4	\$724.7
Drug Percentage	62.4%	60.8%	60.8%

II. METHODOLOGY

- The current drug scoring methodology is based on FY 1999 data. In FY 1999, the Prisoner Transportation staff reported 229,628 prisoners in custody, of which 139,614 were on drug-related charges. The drug-related caseload is 60.8 percent.

III. PROGRAM SUMMARY

- The Federal Prisoner Detention supports Goal 2 of the *Strategy*, “Increase the safety of America’s citizens by substantially reducing drug-related crime and violence” by fostering the safety of American citizens through incarceration of federal prisoners waiting trial or sentencing. This account provides resources for the U.S. Marshals Service to contract with state and local detention facilities for the boarding of federal prisoners until they are released or incarcerated in a federal institution.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- All resources spent by the Federal Prisoner Detention program provide direct support to Goal 2 activities. In FY 2001, drug control spending will total \$363.2 million. Funding will provide the financial support for the housing, subsistence, medical care, and hospital guard service for the federal detainees remanded to the Marshals Service custody.

FY 2002 Significant Program Changes

- The FY 2002 drug control program request totals \$440.6 million, an increase of \$77.4 million over the FY 2001 enacted level. Within the overall increase for FY 2002, an additional \$48.8 million is requested to support increased jail days, medical costs and medical guard services.

V. PROGRAM ACCOMPLISHMENTS

- In FY 2000, the average non-federal daily prisoner population totaled 24,443, of which 14,860 were in custody on drug-related charges.

IMMIGRATION AND NATURALIZATION SERVICE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$198.833	\$233.654	\$256.168
Goal 4	192.899	214.165	232.135
Goal 5	<u>74.062</u>	<u>82.018</u>	<u>85.975</u>
Total	\$465.794	\$529.837	\$574.278
Drug Resources by Function			
Interdiction	\$192.899	\$214.165	\$232.135
Investigations	71.409	79.266	81.448
Intelligence	2.653	2.752	4.527
Corrections	<u>198.833</u>	<u>233.654</u>	<u>256.168</u>
Total	\$465.794	\$529.837	\$574.278
Drug Resources by Decision Unit			
Inspections	\$27.275	\$29.695	\$30.592
Border Patrol	158.317	176.955	193.698
Investigations	71.409	79.266	81.448
Detention and Deportation	182.037	214.040	226.175
Intelligence	2.653	2.752	4.527
Training	2.690	2.729	2.879
Data and Communications Systems	4.617	4.786	4.966
Breached Bond Detention Fund	<u>16.796</u>	<u>19.614</u>	<u>29.993</u>
Total	\$465.794	\$529.837	\$574.278
Drug Resources Personnel Summary			
Total FTEs (direct only)	3,277	3,531	3,679
Information			
Total Agency Budget	\$2,960.1	\$3,199.6	\$3,510.2
Drug Percentage	15.7%	16.6%	16.4%

II. METHODOLOGY

- The percentage used to develop the drug budget for the Immigration and Naturalization Service (INS) reflects the workyears within a particular program that are estimated to be devoted to INS' drug missions.
- The two largest components of the INS drug program, in terms of total resources, are the Border Patrol program and Detention and Deportation program activities. The INS calculates 15 percent of Border Patrol program and 25 percent of Detention and Deportation program resources as drug-related. In addition, INS includes resources for Investigations (24 percent), Inspections (15 percent), Intelligence (26 percent), Training (15 percent), Data and Communications (two percent), and Research and Development (73 percent) in support of its border enforcement mission. In addition, beginning with FY 1998, INS began scoring its

Breached Bond/Detention Fund account as a drug-related account. This reflects the merger of the Immigration Detention account, authorized in the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, P.L. 104-208, with the Breached Bond/Detention Fund account.

III. PROGRAM SUMMARY

- The INS is responsible for the admission, control, and removal of aliens within the United States. As an ancillary activity, the INS detects and apprehends drug smugglers and illegal aliens used to transport drugs at or near the border between ports-of-entry. The INS also cooperates with other federal agencies in locating, apprehending, and removing alien drug traffickers at ports-of-entry and within the interior of the United States, and in escorting alien witnesses in the United States to testify in drug trials. INS' programs are identified below by the *National Drug Control Strategy* goal they support:

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The Detention and Deportation program is a critical element in the structure of INS and an important component of its drug program. Its functions are to detain, exclude, remove, parole and deport aliens. This includes the detention and deportation of aliens caught smuggling drugs into the United States or convicted of drug-related criminal activity.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The Border Patrol program, representing the principal enforcement component of the INS, is responsible for interdicting drug traffickers along our land borders. The Border Patrol currently has over 9,526 agents that have been cross-designated with Title 21 drug authority by the Drug Enforcement Administration for the purpose of conducting drug search and seizures along the border.
- The Inspections program enforces and administers the immigration and nationality laws with respect to the inspection of all persons seeking admission into the United States. The program is coordinated with the Department of State, the U.S. Customs Service, the Department of Agriculture and local port authorities.
- The INS' research and development efforts are geared toward improving its capability to detect and apprehend illegal entrants. This includes efforts to improve detection using ground sensors, low-light-level television cameras, and other similar devices.
- The Training program develops and maintains a professional INS workforce through the delivery of quality basic, specialized, managerial, and employee development training.

Goal 5: Break foreign and domestic drug sources of supply.

- The Investigations program is responsible for investigating and apprehending aliens who commit major criminal offenses. Special emphasis is placed on international criminal alien

organizations involved in narcotics trafficking, subversion, terrorism, alien smuggling, and other serious or violent criminal activities. The Investigations program is also engaged in prosecuting aliens who illegally apply for and collect benefits from government entitlement programs; and, preventing the filing of fraudulent claims.

- The Intelligence program provides strategic and tactical intelligence support to INS offices enforcing the provisions of the Immigration and Nationality Act and assists other federal agencies in addressing national security issues.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- The FY 2001 drug control program level is \$529.8 million and 3,531 FTEs. This level will enable INS to increase its interdiction and its detention program activities, as well as maintain its baseline activities in most other program areas. The following provides a breakdown of FY 2001 resources by *Strategy* goal:

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The FY 2001 drug resource level of \$233.7 million and 903 FTEs for the Detention and Deportation program will allow for the identification and removal of record numbers of illegal aliens in FY 2001. It will also increase program support in the areas of interior deterrence and border control facilitation.
- Included in the overall resource amount is an increase of \$113.6 million (\$28.4 million drug-related) and 219 Detention and Deportation positions. These resources will provide for additional detention bedspaces and increased domestic and repatriation movement of detainees.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The FY 2001 drug resource level for Goal 4 is \$214.2 million and 1,943 FTEs. Included in this funding is \$52 million (\$7.8 million drug-related) for 430 additional Border Patrol Agents and \$33.2 million (\$5 million drug-related) for additional Border Patrol equipment and technological improvements.
- The FY 2001 drug resource level also includes \$6.3 million (\$0.9 million drug-related) for 72 additional Immigration Inspectors for staffing at three new ports-of-entry along the Southern border and to process expedited removal workload cases.

Goal 5: Break foreign and domestic drug sources of supply.

- The FY 2001 drug resource level for Goal 5 is \$82 million and 685 FTEs. Included in this amount is funding to bolster the Service's Quick Response Teams (QRT's) operations. QRT's will work with state and local law enforcement officials to identify and take into

custody alien offenders deemed to be deportable. Resources are also included to fund increased INS participation in Joint Terrorism Task Force operations.

FY 2002 Significant Program Changes

- The FY 2002 drug control-related request for the INS totals \$574.3 million, and 3,679 FTEs, an increase of \$44.4 million and 148 FTEs over the 2001 enacted level. Major program enhancements include:
 - **Detention & Deportation:** The drug-related enhancement for this program totals \$19.8 million and 14 FTEs. Funding will provide additional staff and resources to swiftly remove deportable criminal and illegal aliens. The Service will target its efforts primarily on those held in federal, state and local facilities to insure that these criminal aliens are not allowed back on the street.
 - **Border Patrol:** The drug-related enhancement totals \$14.3 million and 43 FTEs for this program. The total enhancement (both drug and non-drug) includes **\$75 million in funding for 570 additional Border Patrol agent positions**, as well as \$20 million to continue deployment of the Border Patrol's Integrated Surveillance Intelligence System (ISIS) program. The proposed combination of intrusion detection technology and new agents will permit the Service to enforce the rule of law and enhance border management over larger portions of the border.
 - **Intelligence:** The drug-related enhancement for this program is \$1.7 million and 11 FTEs. The total enhancement (both drug and non-drug) includes almost \$7 million and 78 positions for anti-smuggling intelligence units to provide enhanced coverage at selected ports-of-entry along the northern and southern borders. This increased staff will result in additional interceptions of fraudulent documents, false claims to U.S. citizenship, and inadmissible applicants.

V. PROGRAM ACCOMPLISHMENTS

- Border Patrol line-watch operations along the Southwest land border are vital in stopping the transportation of illegal drugs into the country. In fiscal year 2000, the Border Patrol made 8,164 seizures, amounting to 1,316,819 pounds of marijuana; 23,203 pounds of cocaine; and, 1,209 ounces of heroin. The estimated street value of these seizures was placed at almost \$1.9 billion.
- Border Patrol Agents assigned to the Hebbronville, Texas Border Patrol Station, seized cocaine and marijuana valued at \$10.3 million, while performing a routine inspection at a highway checkpoint on January 31, 2001. The agents were inspecting a tractor-trailer used to transport oil when a Service K-9 alerted to the presence of contraband in the tank trailer. During a search of the trailer, agents discovered 280 pounds of cocaine, valued at \$8,960,000 and 1,730 pounds of marijuana, valued at \$1,383,000. The driver, a U.S. citizen, was arrested and transferred to the custody of the Drug Enforcement Administration (DEA), as were the drugs.

- Agents from the Falfurrias, Texas Border Patrol Station, aided by Service K-9's, discovered 2 tons of marijuana in a recent incident at a highway checkpoint. On January 26, 2001, agents uncovered 4,144 pounds of marijuana, valued at \$3.3 million, while performing a routine inspection of a propane truck. The agents were alerted to the presence of contraband by a Service K-9, and upon further inspection of the tank trailer found 314 bundles of marijuana. The driver, a U.S. citizen, was arrested and transferred to the custody of the Drug Enforcement Administration (DEA), as were the drugs.

INTERAGENCY CRIME AND DRUG ENFORCEMENT

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$131.704	\$135.101	\$140.677
Goal 5	<u>185.082</u>	<u>190.080</u>	<u>197.429</u>
Total	\$316.786	\$325.181	\$338.106
Drug Resources by Function			
Investigations	\$216.390	\$222.140	\$230.890
Prosecution	85.434	87.581	91.320
Intelligence	<u>14.962</u>	<u>15.460</u>	<u>15.896</u>
Total	\$316.786	\$325.181	\$338.106
Drug Resources by Decision Unit			
Law Enforcement:			
Drug Enforcement Administration	\$101.671	\$104.532	\$108.887
Federal Bureau of Investigation	95.911	98.180	102.039
Immigration and Naturalization Service	15.300	15.773	16.190
U.S. Marshals Service	<u>1.900</u>	<u>1.980</u>	<u>2.049</u>
Sub-Total	\$214.782	\$220.465	\$229.165
Prosecution:			
U.S. Attorneys	\$83.300	\$85.392	\$89.082
Criminal Division	0.790	0.812	0.832
Tax Division	<u>1.344</u>	<u>1.377</u>	<u>1.406</u>
Sub-Total	\$85.434	\$87.581	\$91.320
Intelligence:			
Drug Enforcement Administration	\$2.329	\$2.420	\$2.499
Federal Bureau of Investigation	<u>12.633</u>	<u>13.040</u>	<u>13.397</u>
Sub-Total	\$14.962	\$15.460	\$15.896
Administrative Support:			
Executive Office for OCDEF	<u>1.608</u>	<u>1.675</u>	<u>1.725</u>
Total	\$316.786	\$325.181	\$338.106
Drug Resources Personnel Summary			
Total FTEs (direct only)	---	---	---
Information			
Total Agency Budget	\$316.8	\$325.2	\$338.1
Drug Percentage	100%	100%	100%

II. METHODOLOGY

- All of the funds in the Interagency Crime Drug Enforcement (ICDE) are scored as drug-related.

III. PROGRAM SUMMARY

- The Organized Crime Drug Enforcement Task Forces (OCDETF) program constitutes a nationwide structure of nine regional Task Forces which utilize the combined resources and expertise of its member federal agencies, in cooperation with state and local investigators and prosecutors, to target major narcotic trafficking and money laundering organizations. The ICDE appropriation provides reimbursement to the Department of Justice agencies and components that participate in the program.
- The mission of the OCDETF program is to identify, investigate, and prosecute members of high-level drug trafficking and related enterprises, and to dismantle or disrupt the operations of those organizations. To dismantle is to put the criminal organization out of existence or break it up to the extent that reconstruction of the same criminal organization is impossible. To disrupt is to cause significant interference in the conduct of business by the targeted criminal organization.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- The FY 2001 resource level for Department of Justice agencies participating in the OCDETF program totals \$325.2 million. These resources are used to reimburse the various Justice agencies for drug-related law enforcement programs in support of Goals 2 and 5 of the *National Drug Control Strategy*. Specific activities funded include:
 - **Law Enforcement.** This decision unit includes \$220.5 million and 1,880 FTEs. The focus of OCDETF investigations is on the organized criminal enterprise leadership involved in drug trafficking and the breakup of the infrastructure of organized criminal enterprises. This includes the seizure and forfeiture of assets of organized criminal enterprises involved in narcotics trafficking. This activity provides resources to reimburse law enforcement agencies in the Department of Justice for investigative activities to OCDETF.
 - **Intelligence.** This decision unit includes \$15.5 million and 162 FTEs. The Intelligence decision unit provides resources to the Federal Bureau of Investigation (FBI) and the Drug Enforcement Administration (DEA) for Regional Drug Intelligence Squads (RDIS).

The mission of RDIS is to establish multi-agency squads to gather, analyze, and disseminate raw and processed data for strategic, tactical, and operational intelligence support of OCDETF investigations and/or potential OCDETF investigations. They also provide the regional intelligence linkage to the National Drug Intelligence Center and to respective agency headquarters. Participants in the RDIS program include state and local law enforcement agencies, the host agency FBI, DEA, U.S. Customs Service, Internal Revenue Service, Immigration and Naturalization Service, Bureau of Alcohol, Tobacco and Firearms, U.S. Marshals Service, Department of Defense, and the National Guard Bureau. Squads have been established in the following cities: Los Angeles, New York City, Washington, D.C., Houston, Miami, Phoenix, Chicago and Atlanta.

- **Prosecutions.** This decision unit includes \$87.6 million and 865 FTEs. Funding is used to reimburse the U.S. Attorneys, Criminal Division, and Tax Division for their investigative support and prosecutorial efforts towards OCDETF cases. Litigation efforts are targeted selectively on the criminal leadership involved in drug trafficking and are intended to dissolve organized illicit enterprises. This includes activities designed to secure the seizure and forfeiture of the assets of these enterprises.

A fundamental purpose of the prosecution effort is to apply limited federal prosecutorial resources against those targets where successful prosecution can have the greatest and most lasting effect on the nation's drug abuse problem. The centralized and organized nature of the drug trade mandates that the federal law enforcement and prosecution establishment incorporate successful experiences in combating organized crime. It also extends the successful OCDETF concept of actively targeting and pursuing the highest level drug offenders.

- **Administrative Support.** This decision unit includes \$1.7 million and 12 FTEs. The Executive Office for OCDETF provides policy guidance, central coordination, and administrative support to the headquarters of the member agencies and the nine regional task forces. The Executive Office has day-to-day responsibility for providing administrative support to the regions and is responsible for financial management oversight, record management, and maintenance of the Management Information System. This staff serves as the first-echelon point-of-contact for the regions when Washington intervention or assistance is required.

FY 2002 Significant Program Changes

- The FY 2002 request includes a total of \$338.1 million, an increase of \$12.9 million above the FY 2001 enacted level.
- The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- From its inception, the OCDETF program has focused resources and expertise against high-level drug organizations. Since 1982 and through January 12, 2001, more than 13,115 OCDETF investigations have been initiated resulting in more than 38,177 indictments, charging more than 117,495 defendants; over 85,000 members of trafficking organizations have been convicted, and more than 73,680 individuals have been sentenced to prison terms.
- In FY 2000, 1,441 new OCDETF investigations were initiated bringing the current inventory of active investigations to over 5,400.

OCDETF Case Highlights

- **Operation "Boobie Boys"** targeted a violent drug trafficking organization responsible for 4,400 kilograms of cocaine being imported into the US from the Bahamas and Panama, arriving at the Port of Miami and Port Everglades on-board commercial cargo ships and hidden among the legitimate cargo. Target members were also implicated in the drug-related murder of fifteen victims, using assault rifles and semi-automatic pistols. On June 6, 2000, seven defendants received a sentence of life imprisonment, three received thirty-year terms, and one, a suspended Miami Dade Police Department uniformed officer, was sentenced to a term of fifteen years.
- **Operation "Tar Pit"** was an OCDETF and HIDTA investigation that focused on a coast to coast organization that put millions of dollars worth of black tar heroin on the streets of at least twelve cities in the United States. The heroin ranged from 60 to 84 percent pure, even in gram quantities. The Nayarit, Mexico-based organization was linked to many of the eighty-five heroin overdose deaths in the small town of Chimayo. As a result of the investigation, over two hundred people were arrested on June 15, 2000, and a total of forty-one pounds of heroin with a street value in the millions of dollars was seized.

INTERPOL - U.S. NATIONAL CENTRAL BUREAU (USNCB)

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 5	\$0.201	\$0.316	\$0.316
Drug Resources by Function			
International	\$0.201	\$0.316	\$0.316
Drug Resources by Decision Unit			
Drug-related Activity	\$0.201	\$0.316	\$0.316
Drug Resources Personnel Summary			
Total FTEs (direct only)	2	3	3
Information			
Total Agency Budget	\$7.4	\$7.7	\$8.3
Drug Percentage	2.7%	4.1%	3.8%

II. METHODOLOGY

- The USNCB has a single decision unit. The Drug Division expenses are the ratio of Drug Division staff in proportion to the USNCB staff.

III. PROGRAM SUMMARY

- The USNCB supports Goal 5, "Break foreign and domestic drug sources of supply," by promoting the exchange of drug-related law enforcement information with the member countries of INTERPOL. INTERPOL coordinates the exchange of criminal information among the 178 member countries and U.S. law enforcement at the federal, state and local levels. The USNCB provides the INTERPOL International Notice Program with assistance in locating, apprehending, and extraditing international fugitives and criminals.
- The Drugs Program provides for daily communications on drug matters with federal, state, and local U.S. law enforcement agencies, INTERPOL General Secretariat and INTERPOL member countries. The INTERPOL channel is often the only means of communications to seek international assistance and cooperation on drug investigations.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- The FY 2001 program includes \$0.3 million and three FTEs to make greater use of INTERPOL to share the burdens and costs of international narcotics control to complement

the efforts of the United States Government, and where it has limited access. INTERPOL resources support Goal 5 of the *Strategy*.

FY 2002 Significant Program Changes

- The FY 2002 drug control request includes \$0.3 million and three FTEs.
- The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- INTERPOL fugitive Pietro Petruccio was returned to Italy to stand trial for narcotics violations. Extradition follows his May 2000 arrest by the United States Marshals Service in Miami. Collaborating partners: Marshals Service, Italian authorities, OIA, and the USNCB Fugitive Division.
- Spanish authorities arrested DEA fugitive Wesley Dean Lundy. The forty-five year old was indicted in October 1997 for importation and distribution of over 40,000 kilos of marijuana and black gold hashish. He managed a fleet of sailing vessels that picked up loads of drugs from various points in Morocco, Canary Islands, Lebanon and the Mediterranean coastline. They were distributed in the United States, and Canada. The USNCB Fugitive Division issued a 1999 Red Notice for his location. His arrest and pending extradition culminate a global investigation involving eleven INTERPOL member countries.

U.S. MARSHALS SERVICE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$207.066	\$220.856	\$239.652
Goal 5	<u>3.260</u>	<u>3.477</u>	<u>3.773</u>
Total	\$210.326	\$224.333	\$243.425
Drug Resources by Function			
Investigations	\$32.790	\$34.974	\$37.950
Prosecution	174.276	185.882	201.702
International	<u>3.260</u>	<u>3.477</u>	<u>3.773</u>
Total	\$210.326	\$224.333	\$243.425
Drug Resources by Decision Unit			
Protection of the Judiciary	\$103.716	\$116.185	\$126.150
Justice Prisoner Alien Transportation System	10.878	11.075	12.306
Fugitive Apprehension	78.171	81.691	88.006
Seized Assets Management	3.955	1.189	1.235
D.C. Superior Court	12.439	12.986	14.420
Service of Legal Process	1.116	1.155	1.254
Training	<u>0.051</u>	<u>0.052</u>	<u>0.054</u>
Total	\$210.326	\$224.333	\$243.425
Drug Resources Personnel Summary			
Total FTEs (direct only)	1,537	1,526	1,567
Information			
Total Agency Budget	\$540.6	\$572.7	\$619.8
Drug Percentage	38.9%	39.2%	39.3%

II. METHODOLOGY

- The drug percentages were updated during Fiscal Year 1999. The new percentages were determined by reviewing the actual amounts of drug-related work in each decision unit. The Marshals Service methodology is summarized as follows:
 - **Protection of Judicial Process:** In Fiscal Year 1999, 80,116 defendants were tried on felony criminal charges, of which 30,671 were prosecuted on drug-related charges (drug attribution totaled 38.3 percent).
 - **Prisoner Transportation:** In Fiscal Year 1999, the Marshals Service received 129,344 prisoners into custody. Of this number, 35,480 prisoners were transported on drug-related charges (drug attribution totaled 27.4 percent).

- **Fugitive Apprehension:** In Fiscal Year 1999 the Marshals Service received 20,240 drug-related Class I warrants out of the total of 27,725 (drug attribution totaled 73 percent).
- **Seized Assets Management:** The Marshals Service handled 64,322 Seized Assets in Fiscal Year 1999. Of this number, 17,913 were drug-related (drug attribution totaled 27.8 percent).
- **D.C. Superior Court:** In Fiscal Year 1999, the Marshals Service received 1,891 warrants. Of this amount 1,328 were drug-related (drug attribution totaled 70.2 percent).
- **Service of Legal Process:** In Fiscal Year 1999 the Marshals Service served 241,160 government and private processes, of which 19,113 were drug-related (drug attribution totaled 7.9 percent).
- **Training Academy:** Eight out of 605 hours of deputy training involve drug awareness and control measures. This represents 1.3 percent of the total time devoted by the Training Academy on drug-related topics.

III. PROGRAM SUMMARY

- The United States Marshals Service (USMS) supports Goal 2 of the *Strategy*, “Increase the safety of America’s citizens by substantially reducing drug-related crime and violence,” and Goal 5 of the *Strategy*, “Break foreign and domestic drug sources of supply,” by enhancing programs that reduce domestic drug production and availability, and continue to target for investigation and prosecution those who illegally manufacture or distribute drugs. The USMS’ primary responsibilities in support of Goals 2 and 5 activities include:
 - **Protection of the Judiciary:** provides protection for federal judges, witnesses, and defendants to prevent disruption during trial proceedings.
 - **Justice Prisoner and Alien Transportation System (JPATS):** provides movement of prisoners and detainees held on drug-charges when needed in court and after sentencing.
 - **Fugitive Apprehension:** apprehends fugitives, and participate in joint task forces with federal, state and local law enforcement agencies to capture fugitives.
 - **Seized Assets Management:** targets large criminal organizations, such as illegal drug enterprises and IRS money-laundering cases. Executes court orders including physical seizure and securing of assets. Establishes contracts with private sector vendors to prevent waste, fraud and abuse of seized assets during the forfeiture process.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The FY 2001 program provides \$220.9 million for programs that will reduce drug-related crime and violence in support of Goal 2 of the *Strategy*. Specific activities funded include:
 - protection for federal judges, witnesses, and defendants to prevent disruption during trial proceedings;
 - movement of prisoners and detainees;
 - execution of court orders to seize and secure physical assets; and
 - apprehension of fugitives and participation in joint task forces with federal, state and local law enforcement agencies.

Goal 5: Break foreign and domestic drug sources of supply.

- Marshals Service FY 2001 program includes \$3.5 million to support Goal 5 activities. The Marshals Service uses various methods to reach beyond the boundaries of the United States in the apprehension of fugitives and is a member of the International Police (INTERPOL).

FY 2002 Significant Program Changes

- The FY 2002 drug control request totals \$243.4 million and 1,567 FTEs, an increase of \$19.1 million over the FY 2001 enacted level. Program enhancements total \$17.9 million and include:
 - **+\$9.4 million and 26 FTEs** to secure new courthouses opening in FY 2002. Personnel required to provide appropriate security and support for the court and its tenants are based on the number of judges, and judicial vacancies in each of the districts, the number of courtrooms to be utilized in the new courthouse compared to the number of courtrooms utilized in the old courthouse, and the number of new courtrooms in the renovation project;
 - **+\$5.8 million** to provide security systems, relocation, furnishings, and telephone and data communication lines in courthouse facilities scheduled to open in FY 2002; and
 - **+\$2.7 million** to accommodate the D.C. Superior Court's anticipated workload increase as a result of the National Capital and Self-Government Revitalization Act of 1997.

V. PROGRAM ACCOMPLISHMENTS

- The USMS is responsible for seizing property in drug cases and is in charge of disposing of federally seized properties. In addition, the USMS is responsible for housing prisoners arrested on drug-related charges. The following are some examples of Marshals Service's drug-related accomplishments for fiscal year 2000.
 - 18,427 total Class I Felony Arrests, of which 13,452 were drug-related,
 - 516,854 total Prisoner Productions (i.e., number of times prisoners are produced for judicial proceedings, meetings with attorneys, transported for medical care, transferred between sub-offices, and transferred between detention facilities), of which 141,773 were drug-related, and
 - 49,563 total Properties Disposed, of which 13,798 were drug-related.

OFFICE OF JUSTICE PROGRAMS

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$91.763	\$99.384	\$105.959
Goal 2	884.497	917.200	783.837
Goal 3	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>
Total	\$976.286	\$1,016.610	\$889.822
Drug Resources by Function			
Corrections	\$46.688	\$48.409	\$0.000
Prevention	91.763	99.384	105.959
Research and Development	10.606	9.603	12.845
State and Local Assistance	718.649	748.154	651.382
Treatment	<u>108.580</u>	<u>111.060</u>	<u>119.636</u>
Total	\$976.286	\$1,016.610	\$889.822
Drug Resources by Decision Unit			
Research, Evaluation and Demonstration Programs	\$10.304	\$9.300	\$12.300
Criminal Justice Statistical Programs	1.461	1.979	1.467
Regional Information Sharing System	18.000	22.500	22.451
Anti-Drug Abuse, Byrne Formula Grants	391.839	390.851	390.385
Anti-Drug Abuse, Byrne Discretionary Grants	45.845	69.078	0.000
Title V - At-Risk - Tribal Youth	10.000	12.500	12.473
Juvenile Justice Programs	8.000	8.000	9.000
Underage Drinking Prevention Program	25.000	25.000	0.000
Juvenile Drug Prevention Program	10.000	11.000	10.978
Executive Office for Weed and Seed	16.206	16.396	28.846
Law Enforcement and Prosecution Grant Program	---	---	34.066
Safe-Start Program	2.500	2.500	2.500
VAWA/STOP Grant Program	38.506	39.074	0.000
Rural Domestic Violence Program	12.245	4.886	7.797
Encouraging Arrest Policies	16.653	6.644	12.673
Civil Legal Assist. & Violence on College Campuses	---	---	9.760
Drug Courts Program	39.184	48.856	48.798
State Corrections Grants	45.357	46.880	3.435
Local Law Enforcement Block Grant Program	159.027	166.953	132.731
Residential Substance Abuse Treatment	61.715	61.559	72.085
Juvenile Justice Block Grant Program	34.971	36.642	36.518
Indian Tribal Court Initiative	1.633	2.676	2.571
Indian Alcohol & Crime	0.000	1.222	1.217
Management and Administration	<u>27.840</u>	<u>32.114</u>	<u>37.771</u>
Total	\$976.286	\$1,016.610	\$889.822
Drug Resources Personnel Summary			
Total FTEs (direct only)	251	241	289
Information			
Total Agency Budget	\$3,457.2	\$3,605.0	\$2,784.7
Drug Percentage	28.2%	28.2%	32.0%

II. METHODOLOGY

- The Office of Justice Programs (OJP) uses a combination of methodologies to determine the available resources for its annual drug control budget submission. These methodologies include a percent of total costs for selected programs based on a review of drug-related workload data and the direct costs related to drug specific projects.

III. PROGRAM SUMMARY

- The Justice Assistance Act of 1984 established OJP. OJP supports cooperation of law enforcement at all levels in building networks that allow the criminal justice system to function more effectively. Resources are also dedicated to aid in the fight against drugs, which supports Goals 1, 2 and 3 of the *Strategy*. The following provides a summary of OJP's activities by *Strategy* goal.

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- OJP supports Goal 1 through a variety of prevention programs, which discourage the first-time use of controlled substances and encourage those who have begun to use illicit drugs to cease their use. These activities include programs that promote effective prevention efforts to parents, schools and community groups and assistance to state, local and tribal criminal justice agencies.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- OJP supports Goal 2 through federal assistance (financial and technical) to state, local and tribal law enforcement entities or activities whose primary purpose is to investigate, arrest, prosecute or incarcerate drug offenders, or otherwise reduce the supply of illegal drugs; and activities associated with the incarceration and monitoring of drug offenders.
- In addition, OJP provides support to encourage/assist regular users of controlled substances to become drug-free through such means as coerced abstinence drug testing, counseling services, in-patient and out-patient care, research into effective treatment modalities, etc.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- OJP supports Goal 3 through its active sponsorship and participation in a drug-free workplace program.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The FY 2001 program includes \$99.4 million for programs that support Goal 1 activities. This funding includes resources for the following activities: providing information to promote effective prevention efforts to parents, schools and community groups; and providing assistance to state and local law enforcement.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The FY 2001 program includes \$917.2 million for programs that support Goal 2 activities. Program funding includes support to state and local law enforcement entities or activities that assist state and local law enforcement efforts to investigate, arrest, prosecute, incarcerate drug offenders, or otherwise reduce the supply of illegal drugs; and activities associated with the incarceration and/or monitoring of drug offenders. Also, included under Goal 2 are all resources associated with criminal justice drug testing, treatment and intervention activities.

Goal 3: Reduce health, welfare, and crime costs resulting from illegal drug use.

- The FY 2001 program includes \$26 thousand for OJP's drug-free workplace program that supports Goal 3 of the *Strategy*.

FY 2002 Significant Program Changes

- The FY 2002 request totals \$889.8 million and 289 FTEs. This represents a net reduction of \$126.8 million from the FY 2001 enacted level.
- Included in the FY 2002 request is funding to maintain the Drug Courts program at an all-time high level of \$50 million. Funding for this program will provide alternatives to incarceration through using the coercive power of the court to force abstinence and alter behavior with a combination of escalating sanctions, mandatory drug testing, treatment, and strong aftercare programs.
- Program increases include:
 - **+\$13.7 million** for the Violence Against Women Activities: Rural Domestic Violence; Grants to Encourage Arrest Policies and Enforcement of Protection Orders; Civil Legal Assistance Program (now a stand alone program); and Violence Against Women on College Campuses (also a new stand alone program);
 - **+\$12.5 million** to expand the program to twenty-one new sites, as well as enhanced data collection and program evaluation activities;

- **+\$10.5 million** for the Residential Substance Abuse Treatment (RSAT) Program to support treatment of an additional 4,041 offenders. (The full effect of the 2002 increase in terms of the numbers of offenders treated will not be realized until 2003, given the time required to bring new programs on board and the reporting cycle. The Corrections Program Office (CPO) estimates having resources in place to treat 47,331 offenders. As programs mature and move through preparation, hiring and training stages to actually admitting clients and providing substance abuse treatment, CPO anticipates that the numbers of offenders treated will increase at a much slower rate than experienced during the early years of the program.);
- **+\$5.7 million** for general Management and Administration expenses.
- **+\$5.0 million** for the Arrestee Drug Abuse Monitoring Program (ADAM), which brings total ADAM funding to \$12.3 million and will allow the program to expand from 35 sites in 2001 to 50 sites in 2002; (NIJ's ultimate goal is to expand ADAM to a total of 75 sites, in order to collect drug data at the national level.); and
- **+\$1.0 million** to expand the Juvenile Justice program.
- Program decreases include:
 - No funding is requested for the Byrne Discretionary Program, which accounts for a decrease of **\$69.2 million**;
 - Reduction of **\$43.4 million** to the Prison Grant Program;
 - A **\$34.2 million** reduction to the Local Law Enforcement Block Grant Program;
 - A **\$25.0 million** reduction to the Juvenile Justice Title V Enforcing Underage Drinking Laws Program;
 - An overall reduction of **\$2.0 million** NIJ programs; and
 - Miscellaneous program reductions totaling **\$1.4 million**.

V. PROGRAM ACCOMPLISHMENTS

- The **Residential Substance Abuse Treatment (RSAT) Program** provides formula grants to states to help them develop and implement residential substance abuse treatment programs that provide individual and group treatment activities for offenders in residential facilities operated by state correctional agencies. The CPO, which administers this program, conducted technical assistance workshops and conferences on effective treatment programs and strategies to over 1,900 policymakers, correctional practitioners, and treatment practitioners. In 2000, 29,172 offenders received treatment from 135 programs initiated or expanded with 2000 funds. In 2001, CPO estimates that 36,465 offenders will receive treatment from about 170 programs.

- Through the **Drug Courts Program**, the Drug Courts Program Office (DCPO) provides financial and technical assistance for the states, units of local government, state and local courts, and Indian tribal governments to develop and implement treatment drug courts that use the coercive power of the courts to subject non-violent offenders to an integrated mix of treatment, drug testing, incentives and sanctions to break the cycle of substance abuse and crime. A drug court brings together the court, other criminal justice agencies and the treatment community in effective collaboration. Through early court intervention and substance abuse treatment, drug courts help reduce recidivism among these types of offenders. Currently, there are 655 drug courts, not all of which receive/have received federal funding. In 2000, 56 new drug courts were initiated under the Drug Courts Program. Beginning in 2000, DCPO decided to award fewer implementation grants for longer periods of time (up to three years; \$500,000). Experience indicated that it takes about three years for a court to become fully operational, treating and graduating enough clients to demonstrate that the court is successful and worthy of state and local funding support.
- The **Arrestee Drug Abuse Monitoring (ADAM) Program** is the only federally-funded drug use prevalence program to directly address the relationship between drug use and criminal behavior and is the only program to provide drug use estimates based on urinalysis results, which have been proven to be the most reliable method of determining recent use. ADAM's data provides policy-relevant information to local, state and federal decision-makers. In addition, because ADAM's infrastructure has already been developed, research projects and evaluations that use the ADAM program can be fielded more rapidly and cheaply than most other studies. ADAM's findings are processed and released immediately and allow for quarterly monitoring in changes of use of a wide range of drugs by numerous subgroups of the offender population. In 2000 and 2001, NIJ devoted \$6.7 million in base resources to sustain operations of the existing thirty-five ADAM sites.

In 2000, the ADAM program achieved several major successes. Project staff fielded a new interview instrument that will generate important, policy-relevant information not available from any other source. With the new instrument, local governments will be able to estimate the need for treatment and levels of dependence among the arrestees and will be able to track important changes in drug market operations in their communities. Also in 2000, ADAM staff published the 1999 annual report on drug use among arrestees and a detailed study of methamphetamine purchase and use patterns in rural Nebraska. NIJ also provided technical assistance to governments and institutions in six foreign countries (Australia, Chile, England, Netherlands, Scotland, and South Africa) that funded their own ADAM-like programs. Finally, project staff implemented a new probability-based sampling plan, a new, more detailed interview instrument, and continued work on developing new data from subject populations such as juveniles and rural residents.

- **Operation Weed and Seed** is the Department of Justice's premier, neighborhood-based comprehensive crime control initiative. The strategy involves a two-pronged approach: law enforcement agencies and prosecutors cooperate in "weeding out" violent crime and drug abuse, and "seeding" brings human services to the area, encompassing prevention, intervention, treatment and neighborhood revitalization. Weed and Seed sites are provided funding for various activities, including anti-gang crime initiatives; anti-drug and alcohol

abuse strategies; and methamphetamine lab/environmental activities. Since its inception in 1991, the Weed and Seed Program has grown from three to over 270 sites nationwide.

- The **Violence Against Women Act** (VAWA) of 2000 expands laws and programs addressing domestic violence, sexual assault, and stalking, and establishes new programs and re-authorizes critical grant programs created by the Violence Against Women Act of 1994. In many cases, the perpetrators of domestic violence, sexual assault and stalking crimes used drugs or alcohol. The National Violence Against Women Survey (November 2000) reports that in 46 percent of the cases where women were physically assaulted and in 36.9 percent of the cases in which women were raped, the respondents reported that the perpetrator had use drugs or alcohol.

TAX DIVISION

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$0.365	\$0.386	\$0.403
Drug Resources by Function			
Prosecution	\$0.365	\$0.386	\$0.403
Drug Resources by Decision Unit			
Criminal Prosecution	\$0.365	\$0.386	\$0.403
Drug Resources Personnel Summary			
Total FTEs (direct only)	3	3	3
Information			
Total Agency Budget	\$68.2	\$70.8	\$73.8
Drug Percentage	0.5%	0.5%	0.5%

II. METHODOLOGY

- The methodology for calculating the Tax Division's drug budget resources is based on actual workyears dedicated to drug-related cases. It also includes a prorated share of the mandatory increases/adjustments to its base budget attributable to the Tax Division's Criminal Prosecution program.

III. PROGRAM SUMMARY

- Attorneys in the Tax Division's Criminal Enforcement Section investigate and prosecute individuals and entities that attempt to commit tax evasion, willfully fail to file tax returns, file false tax returns, and otherwise attempt to interfere with the administration of the tax laws. They also investigate and prosecute tax violations occurring in the context of criminal conduct such as financial institution fraud, narcotics trafficking, bankruptcy fraud, and domestic and international tax conspiracies. The Division seeks to promote a balanced program of criminal tax enforcement by investigating criminal conduct nationwide in a variety of industry and occupational market segments.
- The Tax Division relies on the Internal Revenue Code to prosecute narcotics traffickers. In some instances, tax violations related to narcotics enterprises are easier to prove than the underlying drug offenses. In other cases, tax charges complement the evidence of the narcotics crimes. Tax Division Criminal Enforcement attorneys serve as the liaisons to the Internal Revenue Service, the United States Attorneys' offices, the OCDE Task Forces, and other agency participants in the *National Drug Control Strategy* program. In this role, the Division's attorneys monitor drug/tax-related dockets to ensure that timely assistance is

provided in the investigation and prosecution of narcotics traffickers. In addition, the most complex and broad-based tax investigations and prosecutions of narcotics traffickers are often handled personally by Tax Division Criminal Enforcement attorneys. The Tax Division's drug-related caseload also includes prosecutions handled by the OCDE.

- Tax Division attorneys also participate in international enforcement efforts that have significant implications for narcotics prosecutions. For example, the Division assists agencies in targeting offshore money laundering of narcotics proceeds obtained through illegal drug activities and helps negotiate Mutual Legal Assistance Treaties that facilitate the exchange of information involving international drug cartels.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

- The FY 2001 budget request includes base funding of \$386,000 for the Division's Criminal Tax Enforcement drug-related program. This funding supports three FTEs.

FY 2002 Significant Program Changes

- The FY 2002 request for its Criminal Tax Enforcement drug-related program is \$0.4 million and three FTEs. The resources support Goal 2 of the *Strategy*.
- The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

Major cases conducted by the Tax Division in 2000 are highlighted below:

- In *United States v. Avelino G. Tamala, (D. AZ)*, an Ex-Maricopa County Sheriff's Office Narcotics Detective pled guilty to one count of violating 26 U.S.C. § 7201 (Spies evasion); one count of violating 21 U.S.C. § 846 (conspiracy to distribute and possess with intent to distribute 595 kilograms of marijuana); and one count of violating 18 U.S.C. § 924(c)(2) and 21 U.S.C. § 802 (possession of a semi-automatic pistol in relation to a drug trafficking offense). Tamala will be sentenced on May 7, 2001. IRS, the Drug Enforcement Administration, the United States Customs Service and the Bureau of Alcohol, Tobacco, and Firearms participated in the investigation of defendant
- In *United States v. Anthony Jasper (E.D. VA)*, Jasper was sentenced to two concurrent life terms plus seven years in prison after he was convicted, after a two-day trial, of conspiracy to obstruct commerce by robbery (18 U.S.C. § 1951(Hobbs Act)); use of a firearm during a crime of violence (18 U.S.C. § 924(C)); transportation of firearms by a felon (18 U.S.C. § 924(g)); and conspiracy to possess crack cocaine, heroin, and marijuana by a felon (21 U.S.C. §§ 844 and 846).

DEPARTMENT OF LABOR

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$29.134	\$41.349	\$41.512
Goal 3	<u>35.144</u>	<u>40.159</u>	<u>40.173</u>
Total	\$64.278	\$81.508	\$81.685
Drug Resources by Function			
Prevention	\$64.278	\$81.508	\$81.685
Drug Resources by Decision Unit			
Employment and Training Administration	\$63.734	\$80.949	\$81.112
Departmental Management	<u>0.544</u>	<u>0.559</u>	<u>0.573</u>
Total	\$64.278	\$81.508	\$81.685
Drug Resources Personnel Summary			
Total FTEs (direct only)	1	1	1
Information			
Total Agency Budget	\$11,226.9	\$12,403.7	\$12,823.8
Drug Percentage	0.6%	0.7%	0.6%

II. METHODOLOGY

- Two types of Department of Labor's programs contribute to the drug budget, job-training programs and drug-free workplace initiatives. The job-training programs include Adult, Youth and Job Corps Programs administered by the Employment and Training Administration under the Workforce Investment Act (WIA). The drug-free workplace initiatives include DOL's internal program, as required of all federal workforces, and its separate public education campaign known as *Working Partners*.
- Workforce Investment Act (WIA) - Adult and Youth Activities – The amount of funding scored as drug control is an estimate of the preventative effect of the job-training programs provided to WIA participants. Using data from the 1991 National Household Survey on Drug Abuse, the number of likely WIA participants with a drug incident are estimated. This data is then applied to the average cost per participant of the WIA to derive the total drug resource levels for the WIA programs. In addition, the participant unit costs and the number of participants are updated as necessary. Therefore, total drug budget estimates may fluctuate based on these revisions.
- Job Corps Program – The amount of funding scored as drug control is an estimate of the costs associated with providing enrollee drug testing, counseling, education, and referral under the Trainee Employment Assistance Program (TEAP).

- Drug-Free Workplace Program - The Department of Labor's drug budget also includes the maintenance of its public education campaign known as the *Working Partners for an Alcohol- and Drug-free Workplace* Program, as well as support costs for the management of the Department's own internal drug-free workplace programs.

III. PROGRAM SUMMARY

- The U.S. Department of Labor is charged with preparing the American workforce for new and better jobs. The Employment and Training Administration (ETA), a component of the Department of Labor, ensures that all Americans have access to the resources they require to successfully manage their job lives, and that U.S. businesses have access to the skilled workers and training resources they need to successfully compete in a global economy. This includes educating participants on how barriers to employment, including drug and alcohol abuse, can adversely affect their careers and opportunities to move into productive employment. Through its technical assistance activities, ETA encourages state and local program operators to increase substance abuse prevention, education/counseling, and referral services for individuals at-risk for abusing drugs or alcohol.
- ETA administers the Job Corps program, which is the nation's largest and most comprehensive residential education and job-training program for at-risk youth, ages 16-24. A component of this program is the Trainee Employment Assistance Program (TEAP), which consists of a comprehensive drug prevention and intervention program for all Job Corps participants. TEAP has an active program of alcohol and drug testing, and counseling.
- The Workforce Investment Act (WIA) supports adult and youth job-training programs. These job-training programs are recognized as a means to gaining employment and consequently, as a means to deter drug and alcohol abuse. The Workforce Investment Act of 1998 provides the tools for people to be productive members of society. Under WIA, youth drug and alcohol counseling and referral (as necessary) are allowable expenses.
- The combination of education and training programs are equally important strategies for reducing drug and alcohol use in our society. Unfortunately, drug and alcohol abuse is one of the social pathologies that disproportionately affect the economically disadvantaged population served by Workforce Investment Act programs. While it is important to note that the WIA is a job-training program and not a substance abuse treatment program, the transitioning of the disadvantaged and unemployed into self-sustaining employment sometimes requires dealing with a participant's substance abuse problem. WIA programs focus on a greater number of "at-risk" populations than was previously served.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The FY 2001 program provides \$41.3 million for prevention activities that support Goal 1 of the *Strategy*. Activities include:
 - **The Employment and Training Administration (ETA):** While the ETA does not operate drug prevention or treatment programs, the Workforce Investment Act program allows and encourages certain activities concerned with substance abuse prevention. Decisions on which participants are provided what types of services under WIA are reserved to states and localities.
 - **Job Corps** has had an active program of alcohol, drug testing, and counseling since January 1992. The Job Corps' Trainee Employment Assistance Program became operational in all centers and is considered an important step forward in identifying alcohol and substance abusers, and assisting them in combating their abuse problem. Job Corps has implemented a "Zero Tolerance for Violence and Drugs" policy. Applicants are required to sign an agreement to abide by this policy. Refusal to sign this contract precludes entry into the program. Testing for drugs is done on entry, and for all testing positive on entry, a second test is performed so that results are received before the 45th day. If the results of the second test are positive, the student is separated from the program.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- In FY 2001, DOL will spend \$40.2 million for Goal 3 activities. The following are some of the activities to be funded in FY 2001:
 - **Workforce Investment Act Programs:** WIA programs support Goal 3 activities by targeting adult participants and promoting the acquisition of skills and training resources necessary to successfully compete in a global economy. Although Workforce Investment Act programs are job-training programs and not substance abuse treatment programs, the transitioning of the disadvantaged, low-income and unemployed individuals into self-sustaining employment sometimes require providing substance abuse prevention education, counseling, and referral services. The WIA adult activities will be more universal than under the predecessor Job Training Partnership Act (JTPA), with services available to all, not just the disadvantaged. However, the disadvantaged and low-income individuals will have preference in receiving services.
 - **Departmental Management account:** supports both the Department's internal drug-free workplace program and its *Working Partners* information dissemination activities.
 - **The Working Partners for an Alcohol- and Drug-Free Workplace Program:** is an outreach and information dissemination effort that assists employers and labor unions to

establish effective workplace substance abuse prevention and intervention programs. This program consists of two key initiatives--the Small Business Initiative (SBI) and the Substance Abuse Information Database (SAID). SBI enlists national trade and professional associations to distribute industry-specific information to their members, and to encourage and support businesses to implement programs. SAID is a web-based searchable collection of documents. This database includes sample policies, training and educational materials, and information on applicable federal, and state laws and regulations that are useful in developing workplace prevention programs. Together these initiatives raise awareness about the negative impact of substance abuse on workplace, safety, health and productivity.

FY 2002 Significant Program Changes

- The FY 2002 drug budget request is \$81.7 million for demand reduction programs, which includes \$41.5 million for Goal 1 activities and \$40.2 for Goal 3 activities.
- Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- Job Corps has, in general, been successful in recruiting qualified substance abuse counselors and other health personnel. Also, it has been emphasized to all Job Corps senior managers and major organizational personnel, that center directors and their staff need administrative support to combat alcohol and drug abuse. Currently, all centers are required to employ at a minimum one full-time substance abuse counselor (TEAP Specialist). Instructions have been issued to all centers requiring that state or national certification be obtained or sought by all TEAP Specialists.
- The Employment and Training Administration (ETA), through the State Employment Security/Job Service, operates the Federal Bonding Program (FBP) in each state. This program enables former substance abusers and others with a criminal background, who otherwise would be unable to obtain employment requiring bonding, to qualify for fidelity bonding at no cost to the employer or employee.
- The new Youth Opportunity Grants activity authorized by the Workplace Investment Act (1999 and 2000), will provide additional opportunities for at-risk, disadvantaged youth to obtain basic skills, training and other services to enable them to obtain employment. These programs will enable many youth to escape the ravages of alcohol and drug abuse.
- The Department of Labor's *Working Partners*' web site receives about 450 hits per week and at least 500 external web sites are linked to DOL's *Working Partners* web site. In addition, more than 400 hits to SAID are received weekly.
- *Working Partners*' Small Business Initiative (SBI) has been successful in reaching employers through our partnerships with trade organizations. Approximately 100 Working Partners/Small Business kits are requested per month, and many more are accessed via the web site.

- During FY 2000, *Working Partners* launched a new segment of its web site containing information to assist welfare agencies, workforce development operators and substance abuse prevention and treatment providers to share information on addressing the substance abuse needs of welfare recipients and other WIA customers.
- Working Partners also developed the Drug-Free Workplace Program Builder to help users develop a tailored drug-free workplace policy based on their response to specific policy questions. The Program Builder complements the Drug-Free Workplace Advisor (developed in FY 1999 and receiving about 500 hits weekly) and provides information and guidance to develop an effective drug-free workplace policy.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$3.000	\$0.000	\$0.000
Goal 2	20.552	24.306	24.000
Goal 3	6.000	10.500	14.000
Goal 4	<u>2.500</u>	<u>1.168</u>	<u>2.000</u>
Total	\$32.052	\$35.974	\$40.000
Drug Resources by Function			
State and Local Assistance	\$13.052	\$18.210	\$22.000
Research & Development	<u>19.000</u>	<u>17.764</u>	<u>18.000</u>
Total	\$32.052	\$35.974	\$40.000
Drug Resources by Decision Unit			
Research	\$19.000	\$17.764	\$18.000
Technology Transfer	<u>13.052</u>	<u>18.210</u>	<u>22.000</u>
Total	\$32.052	\$35.974	\$40.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Information			
Total Budget	\$32.1	\$36.0	\$40.0
Drug Percentage	100%	100%	100%

II. METHODOLOGY

- All resources are 100 percent drug-related.

III. PROGRAM SUMMARY

- The Counterdrug Technology Assessment Center (CTAC) was established within the Office of National Drug Control Policy (ONDCP) as the central counterdrug technology research and development (R&D) organization of the U.S. Government.
- Section 712 of the National Drug Control Policy Reauthorization Act of 1998 re-authorized the Counterdrug Technology Assessment Center.
- Since 1990, CTAC has been overseeing and coordinating the counterdrug R&D programs of the federal drug control agencies. CTAC, in consultation with the National Institute on Drug Abuse (NIDA), provides the most advanced support to the nation's premier teams of medical researchers working on the underlying causes of drug dependence. This is accomplished by providing them with neuroimaging facilities, infrastructure, and technology necessary to support their substance abuse research. The CTAC R&D program also provides support to

law enforcement agencies in areas, such as drug detection, communications, surveillance devices and methods to share drug crime investigative information. In addition to sponsoring R&D programs to advance the technological capabilities of federal drug control agencies, CTAC also oversees the Technology Transfer Program that provides technologies developed by federal R&D programs to state and local law enforcement agencies. These programs support the goals and objectives of the *National Drug Control Strategy*.

- CTAC heads the Interagency Working Group for Technology (IAWG-T) that is composed of technology representatives from each of the federal drug control agencies. The IAWG-T meets periodically to exchange information regarding agency programs and common technical problems. Annually the IAWG-T provides an update of the listing of priority scientific and technological needs by technology area and agency, and a listing of drug-related R&D projects being sponsored by each agency.
- Supporting activities include a variety of regional one-day workshops at the state and local level, technical symposia, conferences, and ad hoc studies to promote the exchange of information throughout the entire counterdrug scientific and technical community. These outreach activities provide the mechanism to create awareness of the R&D programs, and to oversee and coordinate counterdrug technology initiatives throughout the scientific and academic communities, as well as with federal, state, and local drug control agencies.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- In FY 2000, Congress provided ONDCP funding for a research grant to the U.S. Anti-Doping Agency (USADA). For FY 2000, this funding was reflected in CTAC's budget; however, beginning in FY 2001, support for the anti-doping program is now funded through ONDCP's Special Forfeiture Fund.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- In FY 2001, CTAC will spend \$24.3 million for programs that provide support to Goal 2 activities of the *Strategy*. The supply reduction R&D programs sponsored by CTAC include tactical technologies, such as determining potential methods for altering agricultural anhydrous ammonia to render it unsuitable for methamphetamine production; and test and evaluation support focusing on improving communications and information technology for drug-related law enforcement capabilities. In addition, funding will support the Technology Transfer Program to provide state-of-the-art equipment to enhance the capabilities of state and local law enforcement agencies for counterdrug missions.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The FY 2001 program provides \$10.5 million for programs that support Goal 3 of the *Strategy*. Demand reduction projects supported include, but are not limited to, equipping leading academic and addiction research institutions with advanced neuroimaging technology, and medical instrumentation for drug abuse research; developing anti-cocaine therapeutic medications for overdose and addiction; and sponsoring a research project to improve approaches for drug abuse treatment on youth offenders. This project examines the effectiveness of therapeutic approaches for first-time, non-violent juvenile arrestees who are substance abusers.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- CTAC's FY 2001 program includes \$1.2 million to support supply reduction R&D activities under Goal 4 of the *Strategy*. Working with federal drug control agencies, funding will sponsor the development and evaluation of non-intrusive inspection systems for the detection of illicit drugs concealed in cargo, containers, and conveyances. Some on-going projects are in the area of enhanced gamma ray detectors, location of drugs "secreted" on-board maritime vessels, and portable capability to detect drugs and contraband in sea vessels, compartments and containers of all sizes.

FY 2002 Significant Program Changes

- The FY 2002 CTAC budget includes a request of \$40.0 million. This represents a \$4.0 million increase over the FY 2001 enacted level. This increase will provide new technology to improve interdiction and coordination among law enforcement organizations. CTAC provides state-of-the-art tools to enhance the capabilities of state and local law enforcement agencies and helps meet the demand for high-technology drug enforcement equipment.

V. PROGRAM ACCOMPLISHMENTS

Demand Reduction R&D: Neuroimaging Technology Initiatives (Goal 3)

- During the last five years, high resolution Positron Emission Tomography (PET) brain scanning systems have been installed at NIDA's Intramural Research Program (IRP) and Brookhaven National Laboratory to support drug abuse research. Scientists from the Research Triangle Institute using the NIDA IRP PET brain scanning system are assessing the role of impaired cognitive functioning and looking for vulnerability factors or markers for specialized treatment regimens.

Last year, scientists at the University of Pennsylvania designed and fabricated a PET system that uses gadolinium orthosilicate crystal detectors for imaging the human brain. The new PET scanner was designed to have improved spatial resolution, higher sensitivity, and higher count-rate capability compared to the current sodium iodide-based PET. The system will be completed in the first quarter of FY 2001.

- CTAC sponsored a research program at UCLA to develop a small diameter “MicroPET” instrument to study animals, particularly non-human primates. The system combines ultra-high resolution PET, and stereotactic injection of experimental probes and potential therapeutics and withdrawal of fluid and tissue samples for analysis.
- Several new advanced neuroimaging centers to support research on the effects of drugs of abuse will be completed this year. During the first quarter of FY 2001, Massachusetts General Hospital received a 7 Tesla magnet that was installed at the Athinoula A. Martinos Center for Functional and Structural Biomedical Research in Charleston, Massachusetts. Harvard University and Massachusetts General Hospital will use the new 7 Tesla functional Magnetic Resonance Imaging (fMRI) system for collaborative research on brain circuitry. A 3 Tesla fMRI center at Emory University, partially sponsored by the R&D program, was dedicated during the second quarter of FY2001. It will support imaging studies of drug addiction.

McLean Hospital in Boston, Massachusetts has received a high field (4 Tesla) fMRI and magnetic resonance spectroscopy (MRS) scanner that will be used for clinical assessments of drug addicts and basic addiction research. Clinical research will begin in the second quarter of FY 2002. The system will acquire high-resolution images of drug metabolites, human chemistry and brain activity volume by using magnetic resonance (MR) visible carbon 13.

Demand Reduction R&D: Drug Abuse, Therapeutic Medications and Treatment Effectiveness (Goal 3)

- Two approaches to the development of anti-cocaine therapeutic medications for overdose and addiction are being investigated. The first approach at Columbia University College of Physicians and Surgeons is developing a peripheral blocker to render cocaine molecules not psychoactive in the bloodstream. A research team from Emory University’s Yerkes Primate Center, the second approach, is seeking to find a medication to serve as a "front line" initial step toward normalizing addicts for further treatment.
 - The peripheral blocker research project involves the development of catalytic antibodies that intercept cocaine in the bloodstream before it reaches the brain. The current challenge is to improve reaction rates and to collaborate with University of Michigan on humanization experiments. The experimental trials of the anti-cocaine antibody Mab 15A10 in a rat model have been completed and results accepted for publication in the Journal of Pharmacology and Experimental Therapeutics. The University of Michigan will use Medimmune; Incorporated derived mutants of the humanized anti-cocaine catalytic antibody in small non-human primate tests.
 - The second approach involves cocaine analog medication research that would be a substitute compound that could be used by a physician as a medication to assist in normalization of the cocaine addict in order to begin rehabilitation. Experiments are being conducted to determine whether the compounds are reinforcing by themselves. Another goal is to establish the time course and the inhibitory effects of these cocaine analogs. The pretreatment times and doses for testing the cocaine analog compounds RTI 112 and RTI 117 have been established. The current phase of the effort includes

determining the effects of RTI 51 on the stimulus-termination and to establish its time course.

- The Drug Evaluation Network System (DENS) transitioned to the Substance Abuse and Mental Health Services Administration as the drug abuse treatment data collection backbone for the National Treatment Outcome Monitoring System (NTOMS). The DENS is a PC-based software system that uses the latest database and executive information system technology to track “treatment entry” addicts. The National Evaluation of Substance Abuse Treatment (NESAT) methodology will also be completed this year.

Demand Reduction R&D: Juvenile Diversion (Goal 3)

- A project with the New Orleans District Attorney's Office to improve approaches for drug abuse treatment on youth offenders will be completed this year. This research project examines the effectiveness of therapeutic approaches with 12 to 16 year old, first-time, non-violent juvenile arrestees who are substance abusers. These juveniles have their case "diverted" out of the normal judicial process pending completion of program requirements. Changes in outcome measures are examined from information obtained through follow-up contacts at approximately 6 and 12 months following arrest. The methodology developed by this project has the potential to provide a national model for dealing with non-violent juvenile substance abusers outside the judicial process.

Demand Reduction R&D: Substance Abuse and Drugs in Sports (Goal 3)

- An analysis of the abuse of banned performance enhancing substances among Olympic athletes was conducted by the National Center on Addiction and Substance Abuse. The report entitled “Winning at any Cost” dated September 2000 provided recommendations for improvement in substance abuse regulations, testing, sanctions and treatment for Olympic athletes.
- In FY 2000, Congress provided ONDCP funding for a research grant to the U.S. Anti-Doping Agency (USADA) to learn more about human growth hormones, androgens, anabolic steroids, and addiction. USADA held its first Anti-doping Research Summit in October 2000 where they adopted an aggressive, comprehensive research agenda. CTAC attends USADA planning meetings and monitors their progress.

Supply Reduction R&D: Non-intrusive Inspection Technologies (Goal 4)

- R&D projects for non-intrusive inspection capabilities were conducted in the areas of enhanced gamma ray detectors, surface acoustic wave sensors, selective breeding of detector dogs, location of drugs "secreted" on-board maritime vessels, and portable capability to detect drugs and contraband in sea vessels, compartments and containers of all sizes. The following summaries provide brief descriptions of these projects:
 - Scientists from Massachusetts Institute of Technology (MIT) are working to overcome some of the limitations inherent in x-ray and disadvantages in pulsed fast neutron

analysis inspection systems. A breadboard coded aperture fast neutron array (CAFNA) test stand has been fabricated and experiments are being conducted to identify individual elemental constituents of the materials within a pallet of cargo. An innovative spin-off application of the coded aperture array has been demonstrated with Single Photon Emission Computed Tomography (SPECT). By mounting a coded aperture to an existing SPECT camera, preliminary experiments show substantial improvements in the clarity and resolution of images of a small animal.

- Western Kentucky University fabricated a transportable neutron probe. The system concept is based on the detection and analysis of elemental images from the characteristic gamma rays emitted from inelastic and thermal neutron interactions.
- A drug detection dog breeding strategy has been formulated in conjunction with the U. S. Customs Service based upon quantitative genetic principles proven by the Australian Customs Service. The first graduates are currently working at ports of entry. Initial results indicate the potential to establish a worldwide gene pool for substance detection canines. This project will be completed in FY 2001.
- A handheld, ultrasonic transmitter and receiver prototype was tested in third quarter of FY 2000 for its capability to assist in inspecting liquid filled containers on maritime vessels and storage tanks. The system, designed by scientists from Los Alamos National Laboratory working with Coast Guard R&D Center personnel, generates a tunable tone burst and detects the return echoes using a single piezoelectric transducer. A small quantity of prototypes will be fabricated by a commercial vendor for additional testing later this year.

Supply Reduction R&D: Tactical Technologies (Goal 2)

- CTAC assists law enforcement agencies in applying technological solutions to meet operational counterdrug technical needs. For example, a family of electronic tags was developed in conjunction with DoD and DEA for tracking airborne platforms, land vehicles and maritime vessels. The tags use GPS satellite communications systems (such as INMARSAT) to report data to a central control center. They all feature small, lightweight packages with low power consumption and long battery life. This project was completed and the tags are being deployed by DEA.

Supply Reduction R&D: Test and Evaluation Support (Goal 2)

- Two technology testbeds have been established to focus recent technical advances on improving drug-related law enforcement capabilities. The Communications and Sensors Testbed concentrates on the evaluation of interoperability issues of wireless communications, tracking and surveillance sensors and displays, telephone intercept technologies, and voice and facial recognition systems. Technology demonstration sites have been established with participating law enforcement organizations in New York, Maryland, Colorado, Texas, Arizona and California.

- A wireless communications interoperability project will be continued in Colorado to evaluate and demonstrate innovative communications concepts and advanced capabilities to overcome technical difficulties encountered in areas of the country with conditions similar to Columbine, CO. A survey of commercially available off the shelf radio interoperability systems was conducted last year, and Testbed engineers and law enforcement personnel evaluated those systems to ensure that they met the initial requirements for use in rural and urban environments.
- Other testbed efforts include evaluations of sensors on remotely operated vehicles for the underwater search of ship hulls for hidden or parasitic appendages.
- The Information Technology (IT) Testbed capitalizes on a substantial contribution from the FBI's Information Resources Division Infrastructure Testbed and focuses on applying emerging capabilities to the development of advanced case management tools for federal, state and local agencies of all sizes.
- Technology demonstration sites have been established with participating law enforcement organizations in California, Colorado, Idaho and Iowa to provide investigators with improved software technology to assist in solving drug-related cases more effectively.

Technology Transfer Program (TTP) (Goal 2):

- The funding appropriated over the past three years has made possible the delivery of 1,808 pieces of equipment to 1,325 state and local law enforcement agencies. A total of 1,055 applications were received in FY 2000, but funding was sufficient to fill 666 applications. FY 2001 appropriations of \$18.2 million included additional resources to help offset this unmet demand. During FY 2001, it is estimated that approximately 2400 agencies will apply to the TTP bringing the total number of departments applying to the program to 3700.
- During FY 2000, three new items were added to the Technology Transfer Program: Audio Surveillance System, Advanced Vehicle Tracking System, and the AIRNET-32 portable digital pager intercept system.
- The comments from the recipient agencies indicate that the technologies provided by the program have resulted in improved operational capabilities that otherwise would not have been possible because of limited budgets or lack of technical expertise.

OFFICE OF NATIONAL DRUG CONTROL POLICY: OPERATIONS

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$2.523	\$2.731	\$2.775
Goal 2	4.067	4.402	4.472
Goal 3	8.996	9.738	9.894
Goal 4	6.300	6.820	6.929
Goal 5	<u>0.937</u>	<u>1.014</u>	<u>1.030</u>
Total	\$22.823	\$24.705	\$25.100
Drug Resources by Function			
State and Local Assistance	\$3.250	\$3.518	\$3.574
Prevention	2.523	2.731	2.775
Treatment	2.523	2.731	2.775
Interdiction	1.669	1.807	1.836
International	0.834	0.903	0.917
Investigations	10.968	11.917	11.873
Research and Development	<u>1.056</u>	<u>1.098</u>	<u>1.350</u>
Total	\$22.823	\$24.705	\$25.100
Drug Resources by Decision Unit			
Operations	\$20.811	\$22.609	\$22.750
Research: Policy	1.056	1.098	1.350
Model State Drug Laws	<u>0.956</u>	<u>0.998</u>	<u>1.000</u>
Total	\$22.823	\$24.705	\$25.100
Drug Resources Personnel Summary			
Total FTEs (direct only)	124	125	115
Information			
Total Budget	\$22.8	\$24.7	\$25.1
Drug Percentage	100%	100%	100%

II. METHODOLOGY

- All resources are 100 percent drug-related.

III. PROGRAM SUMMARY

- The Office of National Drug Control Policy (ONDCP) provides the President's primary Executive Branch support for drug policy development and program oversight. ONDCP advises the President on national and international drug control policies and strategies, and works to ensure the effective coordination of drug programs within the federal departments and agencies. ONDCP responsibilities include:

- Developing a five-year *Strategy* and submitting to Congress annual reports on the progress and implementation of the *Strategy*.
- Developing a consolidated National Drug Control Budget for presentation to the President and the Congress (including budget certifications).
- Managing and refining the Performance Measures of Effectiveness (PME) System as data inputs improve in quality. Trend data will be reported and preliminary identifications made of areas in need of in-depth evaluation. New databases will result in information for the Information Management System. Implementation plans will be refined as collaborative intergovernmental efforts come into play as we draw on experiences learned through our Performance Partnerships.
- Certifying the budgets of programs, bureaus, agencies, and departments.
- Evaluating Program Effectiveness--ONDCP is required to include in each *Strategy* report an evaluation of the effectiveness of federal drug control during the preceding year.
- Coordinating and overseeing federal anti-drug policies and programs involving approximately 50 federal agencies and the programs they administer.
- Encouraging private-sector, state, and local drug prevention and control programs.
- Conducting policy analysis and research to determine the effectiveness of drug programs and policies in addressing the *Strategy's* goals and objectives.
- Designating High Intensity Drug Trafficking Areas (HIDTAs) and providing overall policy guidance and oversight for the award of resources to federal, state, and local law enforcement partnerships in these areas.
- Operating the Counter-Drug Technology Assessment Center (CTAC) to serve as the central counterdrug enforcement research and development center for the federal government.
- Developing and overseeing a National Youth Anti-Drug Media Campaign - - a multi-faceted communications campaign that harnesses the energies of parents, mass media, corporate America, and community anti-drug coalitions.
- Overseeing the Drug-Free Communities Program, which will serve as a catalyst for increased citizen participation to reduce substance abuse among our youth and provide community anti-drug coalitions with much needed funds to carry out their important missions.
- Funds for the HIDTA program, Special Forfeiture Fund (SFF), and CTAC are discussed elsewhere in this volume.

The Office of National Drug Control Policy programs support Goals 1 through 5 of the *Strategy* through the various offices within ONDCP.

- The Office of Supply Reduction is responsible for advising the Director on policies and programs to reduce the supply of drugs; overseeing the implementation of federal government supply reduction programs in support of goals and objectives of the *Strategy*; evaluating the effectiveness of drug control policies; and making recommendations to the Director regarding changes in the organization, management, and budgets of federal departments and agencies engaged in drug supply reduction.
- The Office of Demand Reduction is responsible for advising the Director on policies and programs to reduce the demand for drugs, and ensuring the implementation of the demand-related portions of the *Strategy*. The Office of Demand Reduction supports the prevention and treatment functions.
- The Office of State and Local Affairs (OSLA) coordinates ONDCP and outreach efforts to state and local government agencies, as well as public interest groups. In addition, OSLA promotes coordination among federal programs in cooperation with state and local counterdrug programs, including overseeing the HIDTA Program.
- The Office of Programs, Budget, Research, and Evaluation (OPBRE) is responsible for formulating the National Drug Control Budget; managing the PME System; advising the Director on policies and programs with respect to their contribution to the *Strategy*; and conducting research and analysis on drug-related program and policy issues. OPBRE is also responsible for coordinating and analyzing all drug-related data to support the PME system and inform the policy process.
- Other offices within ONDCP that support the counterdrug effort include: the Office of Administration (OA); the Office of Financial Management (FMO); the Office of Public Affairs (OPA); the Office of Legal Counsel (OLC); the Office of Strategic Planning (OSP); the Office of Legislative Affairs (OLA); and the Office of Intelligence (OI). The Office of Administration provides administrative support for ONDCP. The Office of Financial Management is responsible for the oversight of all internal ONDCP financial-related areas. The Office of Public Affairs serves as a liaison between ONDCP and the media. The Office of Legal Counsel is responsible for advising the Director and ONDCP staff regarding the scope and effect of the legal authority of the Director and the agency. The Office of Strategic Planning coordinates the *Strategy*, develops or reviews all significant public policy statements, prepares the Director's briefings and supports his public speaking engagements. The Office of Legislative Affairs is ONDCP's liaison with the Congress, the White House Office of Legislative Affairs, and the legislative offices of more than fifty federal agencies involved in implementing the *Strategy*.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as alcohol and tobacco.

- In FY 2001, ONDCP will spend \$2.7 million in support of Goal 1 activities of the *Strategy*. The offices principally involved in supporting the prevention function include the Office of Demand Reduction, OPBRE, and FMO. These offices develop and oversee such programs as the National Youth Anti-Drug Media Campaign, the Drug-Free Communities Program, Youth Substance Abuse Prevention Programs, and policy research. Policy research includes, but is not limited to, projects, such as: the regional and state patterns of drug use; expansion of the Pulse Check to include more regions of the nation; and county ranking of the drug indicator study.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The FY 2001 program provides \$4.4 million for activities that support Goal 2 of the *Strategy*. The Office of State and Local Affairs, FMO, and CTAC provide support to the state and local assistance function included under Goal 2 activities. Programs principally involved include, but are not limited to: the designation and oversight of High Intensity Drug Trafficking Areas (HIDTAs); the oversight of Anti Money-Laundering Initiatives; Enhancing Asset Forfeiture; and Intelligence/Information Sharing. Other activities included under this Goal are the support for the National Drug Court Institute, support for the National Alliance for Model State Drug Laws, and the operation of the Technology Transfer Program.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- ONDCP's FY 2001 program includes \$9.7 million to support Goal 3 activities. The offices that support the treatment function under Goal 3 activities include the Office of Demand Reduction, OPBRE, FMO, and CTAC. Activities involved include support to the United States Olympic Committee (Anti-Doping Program); Treatment Research and Evaluation activities, such as working with SAMHSA to improve the estimation of the Treatment Gap by modifying the National Household Survey of Drug Abuse; bridging the gap between research and practice by supporting NIDA's Clinical Trials Network; and coordinating activities addressing the prevalence of MDMA/Club drugs.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- In FY 2001, ONDCP will spend \$6.8 million in support of Goal 4 activities of the *Strategy*. The Office of State and Local Affairs, the Office of Supply Reduction, the Office of Intelligence, and FMO provide support to the interdiction function that is included under Goal 4 activities. Programs principally involved include, but are not limited to, the Counterdrug Intelligence Architecture, Border Coordination Initiative, Port & Border Security, Interagency Interdiction Efforts, the Counterdrug Intelligence Executive

Secretariat, the Metro Intelligence Support and Technical Investigative Center, Transit zone and regional interdiction activities, and Modeling Drug Trafficking Flows.

Goal 5: Break foreign and domestic drug sources of supply.

- ONDCP's FY 2001 program includes \$1.0 million to support Goal 5 activities. The Office of Supply Reduction, and the Office of Intelligence provide support for international and interdiction functions. These offices work with international organizations and support interagency coordination in the following areas: the Andean Initiative, regional drug control in the Western Hemisphere, and the Multi-lateral Evaluation Mechanism.

FY 2002 Significant Program Changes

- The total FY 2002 budget for ONDCP includes a request of \$25.1 million and 115 FTEs. This represents an increase of \$0.4 million over FY 2001 enacted level.

V. PROGRAM ACCOMPLISHMENTS

ONDCP has led the interagency development and implementation of the comprehensive long-term *Strategy*. ONDCP also worked with other federal agencies and has developed a supporting budget plan for ONDCP's *Strategy*. In addition, ONDCP is involved in the following ongoing initiatives:

- **The National Youth Anti-Drug Media Campaign** is an integrated advertising and communications campaign harnessing the power of the media to educate and enable America's youth to reject illegal drugs. The campaign uses advertising, television programming, movies, music, the Internet, and print media to influence young people's view of drug use and other risk behaviors. The campaign uses state-of-the-art advertising, marketing and technology to communicate key messages to young people and their adult influencers where they live, learn, work, play and pray. The campaign has also forged dozens of partnerships with youth service, prevention, *Government*, such as CSAP, NASA and more than 20 federal agencies participating in the campaign's federal web site initiative.
- **Drug-Free Communities Act.** ONDCP will award grants to community coalitions of representatives of youth, parents, businesses, the media, schools, youth organizations, law enforcement, religious or fraternal organizations, civic groups, health care professionals, local, or tribal government agencies, and other organizations. In carrying out the Program, the Director of ONDCP will: (1) make and track grants to grant recipients; (2) provide for technical assistance and training, data collection and dissemination of information on state-of-the-art practices that the Director determines to be effective in reducing substance abuse; and (3) provide for the general administration of the Program. Additional program accomplishments are detailed under the Special Forfeiture Fund section.
- **Counterdrug Intelligence Architecture.** ONDCP led an extensive interagency review of counterdrug intelligence centers and activities. In February 2000, the President approved the General Counterdrug Intelligence Plan (GCIP) that established the framework for improving federal, state, and local governments' counterdrug intelligence coordination and cooperation,

and for improving intelligence support to policymakers as they formulate counterdrug policy, tasking, and resource decisions. For the first time, there is a permanent coordination mechanism to resolve drug intelligence issues at all levels and to aid National Drug Control Program agencies in satisfying performance measures of effectiveness. ONDCP will remain significantly involved in the process by virtue of its membership in the Counterdrug Intelligence Coordinating Group.

- **Refining Interagency Interdiction Efforts.** Throughout 2000, ONDCP provided active oversight to interagency efforts on a number of key interdiction tasks found in the interagency strategic plan. ONDCP has continued to emphasize the administration's source zone strategy and the importance of complementing eradication and alternative development programs with a successful interdiction effort while maintaining pressure on drug trafficking organizations in the transit zone. ONDCP continues to support refinements in the assessment process to ensure limited assets are most effectively positioned.
- **Andean Initiative.** ONDCP helped formulate the Administration initiative for increased funding to support Colombia and the other countries in the Andean Region. The proposal is a balanced, comprehensive \$1.3 billion package over two years supporting counterdrug activities, alternative economic development, rule of law, human rights, good governance, and the resettlement of internally displaced persons. ONDCP has played a major role in ensuring the implementation of this important initiative.
- **Implementation of the Multi-lateral Evaluation Mechanism (MEM).** The Multi-lateral Evaluation Mechanism, a hemispheric system of counterdrug performance measurement inaugurated during the twenty-sixth regular session of CICAD in Montevideo, Uruguay (October 5-8, 1999) was implemented during 2000. The MEM focuses on 82 specific performance indicators in five categories; National Plans and Strategies; Prevention and Treatment; Reduction of Drug Production; Law Enforcement Measures; and Cost of the Drug Problem. Evaluations of every country in the hemisphere began in early 2000. Results will be reported at the 3rd Summit of the Americas in 2001 in Quebec City, Canada.

HIGH INTENSITY DRUG TRAFFICKING AREAS

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$3.124	\$3.057	\$3.057
Goal 2	97.091	105.050	105.090
Goal 3	0.600	0.600	0.600
Goal 4	30.603	32.798	33.222
Goal 5	<u>59.853</u>	<u>64.541</u>	<u>64.381</u>
Total	\$191.271	\$206.046	\$206.350
Drug Resources by Function			
Investigations	\$110.744	\$119.830	\$113.905
Intelligence	39.092	44.044	53.025
Prosecution	8.408	8.718	8.641
Interdiction	23.271	23.796	20.817
Prevention	3.124	3.057	3.057
Treatment	5.102	4.805	4.805
Research	<u>1.530</u>	<u>1.796</u>	<u>2.100</u>
Total	\$191.271	\$206.046	\$206.350
Drug Resources by Decision Unit			
HIDTA	\$191.271	\$206.046	\$206.350
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Information			
State and Local Assistance ¹	<u>\$155.7</u>	<u>\$171.6</u>	<u>\$172.0</u>
Total Budget	<u>\$191.3</u>	<u>\$206.0</u>	<u>\$206.4</u>
Drug Percentage	100%	100%	100%

¹ Of the total budget for this account, these resources are provided to state and local governments.

II. METHODOLOGY

- All resources are 100 percent drug-related.

III. PROGRAM SUMMARY

- The Anti-Drug Abuse Act of 1988 and the Office of National Drug Control Policy Reauthorization Act of 1998 authorize the Director of the Office of National Drug Control Policy (ONDCP) to designate areas within the United States which exhibit serious drug trafficking problems and harmfully impact other areas of the country as High Intensity Drug Trafficking Areas (HIDTA). The HIDTA Program provides additional federal funds to those areas to help eliminate or reduce drug trafficking and its harmful consequences. The mission of the High Intensity Drug Trafficking Area (HIDTA) Program is to enhance and coordinate

America's drug-control efforts among local, state and federal law enforcement agencies in order to eliminate or reduce drug trafficking and its harmful consequences in critical regions of the United States. The mission includes coordination efforts to reduce the production, manufacturing, distribution, transportation and chronic use of illegal drugs, as well as the attendant money laundering of drug proceeds. The program accomplishes this mission by (1) focusing on outcomes, (2) institutionalizing teamwork, and (3) fostering agile regional solutions. Law enforcement organizations within HIDTAs assess drug trafficking problems, develop a strategy and design specific initiatives to accomplish their mission. Since 1990, 28 areas within the United States have been designated as HIDTAs.

- In designating a new HIDTA, the Director of ONDCP consults with the Attorney General, Secretary of the Treasury, heads of national drug control agencies, and the appropriate governors, and considers the following criteria required by statute:
 - The extent to which the area is a center of illegal drug production, manufacturing, importation, or distribution;
 - The extent to which state and local law enforcement agencies have committed resources to respond to the drug trafficking problem in the area, thereby indicating a determination to respond aggressively to the problem;
 - The extent to which drug-related activities in the area are having a harmful impact in other areas of the country; and
 - The extent to which a significant increase in the allocation of federal resources is necessary to respond adequately to drug-related activities in the area.
- Specific counties in 28 areas have been designated as HIDTAs: Southwest Border (which contains the 5 partnerships of the California Border, Arizona, New Mexico, West Texas, and South Texas); Los Angeles; Houston; South Florida; New York/New Jersey; Washington D.C./Baltimore; Puerto Rico/U.S. Virgin Islands; Atlanta; Chicago; Philadelphia/Camden; Rocky Mountain (Colorado, Utah and Wyoming); Northwest (Washington State); Lake County (Indiana); Midwest (Iowa, Kansas, Missouri, Nebraska, South Dakota and North Dakota); Gulf Coast (Alabama, Louisiana and Mississippi); Southeast Michigan; Northern California; Appalachia (Kentucky, Tennessee and West Virginia); Central Florida; Milwaukee; North Texas; Central Valley California; Hawaii; New England (Connecticut, New Hampshire, Maine, Massachusetts, Rhode Island and Vermont); Ohio; Oregon; Northern Florida; and Nevada.
- The HIDTA Program helps improve the effectiveness and efficiency of drug control efforts by facilitating cooperation between drug control organizations through resource and information sharing, collocating and pooling of resources, coordinating and focusing efforts, and implementing joint initiatives. HIDTA funds help federal, state and local law enforcement organizations invest in infrastructure and joint initiatives to confront drug-trafficking organizations. Funds are also used for demand reduction and drug treatment initiatives. Resources provided by the program have grown from \$25 million in FY 1990 to over \$206 million in FY 2001.

- The key priorities of the program are:
 - Assess regional drug threats;
 - Design strategies to focus efforts that combat drug trafficking threats;
 - Develop and fund initiatives to implement strategies;
 - Facilitate coordination between federal, state and local efforts; and
 - Improve the effectiveness and efficiency of drug control efforts to reduce or eliminate the harmful impact of drug trafficking.
- Typically, a HIDTA consists of:
 - An Executive Committee composed of approximately 16 members with equal representation from federal, state and local law enforcement officials;
 - A major task force consisting of collocated federal, state and local law enforcement members;
 - Other regional federal and local/state collocated drug and money laundering task forces;
 - A regional joint intelligence center and information-sharing network; and
 - Other support initiatives to sustain law enforcement gains.
- At the National level, the HIDTA Coordination Committee makes recommendations on policy, program and funding to the ONDCP Director. The Committee's membership consists of representatives from ONDCP, and the Departments of Justice, Treasury, and Health and Human Services. The ONDCP Director oversees the development and implementation of the HIDTA Program.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- In FY 2001, the HIDTA Program includes \$3.1 million for prevention activities that support Goal 1 of the *Strategy*. Specifically, several HDTAs integrate other drug education and early intervention programs with law enforcement efforts to reduce youthful involvement with illegal substances and strengthen families and communities.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The FY 2001 program provides \$105.1 million for programs that support Goal 2 of the *Strategy*. All HIDTAs have joint drug task forces that target drug trafficking organizations for dismantling and disruption, which increases the safety of America's citizens. Since the program began, the task forces have dismantled major drug trafficking organizations, seized tons of illicit drugs and millions of dollars in currency, and dismantled the hierarchies of major international drug trafficking organizations. In addition, HIDTA task forces have dismantled gangs with major drug trafficking organization connections. HIDTA drug task forces conduct intensive surveillance of drug organizations; infiltrate street gangs; assist prosecutors in developing cases; and use specialized techniques to conduct sophisticated intelligence gathering, wire taps and investigations.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The FY 2001 program includes \$0.6 million for activities that support Goal 3. Recognizing the value that technology brings in reducing the health and social costs of drug abuse, the Washington/Baltimore HIDTA dedicated funds to support the development and implementation of an automated treatment tracking system. The system, known as the HIDTA Automated Tracking System, or HATS, protects the confidentiality of criminal justice clients undergoing court-ordered treatment, while allowing criminal justice agencies to track each client's progress.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The FY 2001 program provides \$32.8 million for activities that support Goal 4 of the *National Drug Control Strategy*. The HIDTA Program concentrates America's drug control efforts in key areas to protect the Nation's frontiers from drug trafficking. Along the Southwest border and at major ports-of-entry, HIDTAs assist in developing border interdiction, intelligence, investigation and prosecution systems to develop and support cases against those who smuggle, launder money or engage in the international drug trade.

Goal 5: Break foreign and domestic drug sources of supply.

- In FY 2001, the HIDTA Program includes \$64.5 million to support Goal 5 activities. Some activities supported include:
 - Participating agencies in the HIDTA Program disrupt both international and domestic drug trafficking by a systematic handling of complex intelligence, investigation, and technical issues. HIDTAs integrate federal, state and local law enforcement and prosecution agencies to develop sophisticated investigations of domestic and international drug trafficking organizations.
 - Three HIDTAs specifically focus on domestic drug sources. The Appalachia HIDTA executes initiatives to reduce marijuana production, trafficking and distribution in Kentucky, Tennessee and West Virginia counties as well as other areas of the United

States. Both the Midwest and Central Valley California HIDTAs provide significant assistance to federal, state and local law enforcement organizations that target domestic methamphetamine production and trafficking.

FY 2002 Significant Program Changes

- The FY 2002 budget for the HIDTA Program includes a request of \$206.4 million. This funding will continue efforts initiated in FY 2001 to include funding of the 28 HIDTA areas and provide \$2.1 million for auditing services.

V. PROGRAM ACCOMPLISHMENTS

- Currently, 949 local, 172 state and 35 federal law enforcement agencies, and 86 other organizations, participate in 462 HIDTA funded initiatives, containing many multi-jurisdictional task forces.
- The HIDTA Program has achieved significant levels of cooperation, as was evident at the 2000 HIDTA Conference. Among the participants at this conference were ONDCP's Director, the Attorney General, the DEA Administrator, the US Customs Commissioner, the Director of ATF, and an additional 275 law enforcement leaders from around the nation. National awards were presented for accomplishments directly attributable to multi-agency, cooperative efforts in HIDTA initiatives.
- Among the initiatives receiving a National HIDTA Award was the Major Drug Traffickers Initiative, Group 54 of the Washington/Baltimore HIDTA. The Group dismantled the "Nickle Boys" narcotics organization, which was an exceptionally violent criminal enterprise that substantially lowered the quality of life for the residents of the O'Donnell Heights Public Housing Project in Baltimore, Maryland. Contract murders, shootings, extortion, beatings and other random acts of savageness were commonplace in the neighborhood.
- The Southern California Drug Task Force, a Los Angeles HIDTA initiative, began an investigation of a major pseudoephedrine distribution organization, supplying bulk quantities to methamphetamine labs throughout the United States. The highly successful investigation resulted in numerous arrests and significant seizures in seven states ranging from Michigan to Florida.
- The New Orleans Gang Task Force, an FBI lead Gulf Coast HIDTA initiative, was recognized for generating 64 convictions and dismantling 8 street metro area violent street gangs, contributing to a reduction in the city's murder rate.
- The Southwest Border HIDTA sponsored the West Texas Stash House Task Force, which involved the community in reporting and providing leads for investigations on the locations of stash houses used to store large quantities of drugs in transit. The task force educates the community and public services on indications that houses are being used for stashing bulk shipments of narcotics and incorporates "Crime Stopper" models in calling in tips. The task force investigations resulted in the seizures of 21,522 pounds of marijuana, 2,520 pounds of

cocaine and 31 pounds of methamphetamine. The initiative has increased its focus to include storage lockers and warehouses and is being used as a model nationwide.

- HIDTA is actively involved in the Presidential directed General Counterdrug Intelligence Plan and is the lead agency for 10 action items and has a supporting role in 17 others. The HIDTA intelligence centers will be the primary instrument to accomplish Section C of the plan that concerns regional, state and local cooperation.

SPECIAL FORFEITURE FUND

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 ¹	2001	2002
	Final	Enacted	Request
Drug Resources by Goal			
Goal 1	\$214.297	\$224.505	\$240.600
Goal 2	1.000	0.998	1.000
Goal 3	0.000	3.293	3.000
Goal 4	<u>0.000</u>	<u>4.290</u>	<u>3.000</u>
Total	\$215.297	\$233.086	\$247.600
Drug Resources by Function			
Prevention	\$214.297	\$224.505	\$240.600
Treatment	1.000	0.998	1.000
Research & Development (Prevention)	0.000	3.293	3.000
Intelligence	<u>0.000</u>	<u>4.290</u>	<u>3.000</u>
Total	\$215.297	\$233.086	\$247.600
Drug Resources by Decision Unit			
Youth Anti-Drug Media Campaign	\$184.297	\$184.593	\$185.000
Drug-Free Communities	30.000	39.912	50.600
Parents for a Drug-Free Future	0.000	0.000	5.000
United States Olympic Committee	0.000	3.293	3.000
Counterdrug Executive Secretariat (CDX)	0.000	2.993	3.000
Metro Intelligence Supt. & Tech. Invest. Center	0.000	1.297	0.000
National Drug Court Institute	<u>1.000</u>	<u>0.998</u>	<u>1.000</u>
Total	\$215.297	\$233.086	\$247.600
Drug Resources Personnel Summary			
Total	1	1	1
Information			
Total Budget	\$215.3	\$233.1	\$247.6
Drug Percentage	100%	100%	100%

¹ The FY 2000 total budget for the Special Forfeiture Fund (SFF) is \$215.3 million. This total is different from the corresponding number displayed in Table 4 of this *Budget Summary*. The budget total for SFF depicted in Table 4 in the amount of \$218.3 million corresponds to the number displayed in the *Analytical Perspectives Volume* of the *President's Budget*. This discrepancy was discovered after the *Analytical Perspectives Volume* went to press.

II. METHODOLOGY

- All resources are 100 percent drug-related.

III. PROGRAM SUMMARY

- Section 712 of the National Drug Control Policy Reauthorization Act of 1998 re-authorized the Special Forfeiture Fund (SFF) to provide ONDCP supplementary resources to enhance drug control activities.

- Activities supported by the Special Forfeiture Fund include the National Youth Anti-Drug Media Campaign; the Drug-Free Communities Program; the National Drug Court Institute; United States Olympic Committee (Anti-Doping Program); the Counterdrug Executive Secretariat, and the Metro Intelligence Support and Technical Investigative Center. In FY 2002, the SFF will also support the Parents for a Drug-Free Future Program.
- The Special Forfeiture Fund resources are derived through direct appropriations from the General Fund of the Treasury.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The FY 2001 program includes \$224.5 million for prevention activities that support Goal 1 of the *Strategy*. Activities funded under Goal 1 include \$184.6 million for the National Youth Anti-Drug Media Campaign and \$39.9 million for the Drug-Free Communities Program.
- **The National Youth Anti-Drug Media Campaign** is an integrated advertising and public communications campaign harnessing the power of the media to educate and enable America's youth to reject illegal drugs. The campaign uses advertising, public communications outreach, the Internet, print and broadcast media to influence young people's attitudes and behaviors towards illegal drugs. Through state-of-the-art advertising, marketing and technology the campaign communicates key messages to young people, their parents and other adult influencers where they live, learn, work, play and practice their faith.
- **The Drug-Free Communities Program** supports community anti-drug coalitions throughout the United States in developing and implementing comprehensive long term plans to prevent and treat substance abuse among youth. It is a catalyst for increased citizen participation in our efforts to reduce substance abuse among our youth and provide community anti-drug coalitions with the much needed funds to carry out their important missions. In FY 2001 new grants will be made to approximately 145 coalitions. All 307 current grantees are expected to reapply for an additional year of funding, bringing the total number of active grants to 452.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The FY 2001 program provides \$1.0 million for Goal 2 activities that support the National Drug Court Institute. The Institute's research program requires these funds to continue the expansion of its drug court training program for practitioners; to convene special advisory groups to develop curricula in new disciplines; to develop a national community probation initiative; and to expand and update the Institute's video instruction library.

Goal 3: Reduce health and social costs of illegal drug use to the public.

- The FY 2001 program includes \$3.3 million for Goal 3 activities to support the anti-doping program of the upcoming 2002 Salt Lake City Olympic Games. Through ONDCP and the White House Task Force on Drug Use in Sports, ONDCP will continue to assist the Salt Lake Olympic Committee in implementing a transparent and effective anti-doping program.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The FY 2001 program provides \$4.3 million for activities that support Goal 4 of the *Strategy*. Activities funded under Goal 4 include \$3.0 million for the Counterdrug Intelligence Executive Secretariat (CDX) and \$1.3 million for the Metro Intelligence Support and Technical Investigative Center (MISTIC).
- **The Counterdrug Intelligence Executive Secretariat (CDX).** The FY 1998 Treasury and Government Appropriations Act requires ONDCP to improve counterdrug intelligence coordination and eliminate unnecessary duplication. The FY 2001 funding will support the CDX to start work on implementing the action items contained in the General Counterdrug Intelligence Plan (GCIP). The cornerstone action initiative of the GCIP establishes a senior interagency working group (The Counterdrug Intelligence Coordinating Group), and its permanent support staff (The Counterdrug Intelligence Executive Secretariat), which will promote continuous improvement of the national drug intelligence system.
- **The Metro Intelligence Support and Technical Investigative Center (MISTIC).** Funding will support the expansion of the current Arizona HIDTA MISTIC to meet the state's requirements for leasing a facility. Currently, each of the four funded initiatives is located in four separate buildings, miles apart, which makes coordinating investigative efforts extremely difficult. This expansion project to collocate these task forces will greatly enhance the state's ability to continue to meet HIDTA objectives.

FY 2002 Significant Program Changes

- The total FY 2002 budget for the Special Forfeiture Fund includes a request of \$247.6 million. This represents a net increase of \$14.5 million over FY 2001 enacted levels. The request includes an increase of \$10.7 million for Drug-Free Communities Program and \$5.0 million for Parents for a Drug-Free Future Program. These increases are partially offset by a combined decrease of \$1.2 million in other SFF programs. The request includes funding for the following program enhancements:
- **\$10.7 million** for Drug-Free Communities Program. These additional resources will bring total funding for the Drug-Free Communities program to \$50.6 million in FY 2002. This initiative assists community-based groups to foster local anti-drug activities. The program provides technical assistance to community groups on forming and sustaining effective community anti-drug coalitions that prevent the use of illegal drugs, alcohol, and tobacco by youth. This funding increase will help reach youth in communities not benefiting from the program, encourage the development of community anti-drug coalitions in under-served

areas to reduce substance abuse among youth, and help community anti-drug coalitions carry out their important missions.

- **\$5.0 million** for Parents for a Drug-Free Future Program. The President's Budget includes \$5.0 million in ONDCP's Special Forfeiture Fund to support and encourage parents to help children stay drug-free. This program will provide matching funds to national parents' organizations for the following purposes: assist training thousands of parents in communities nationwide in skills, methods, and information that help prevent drug abuse by young people; promote cooperation among national parent efforts and increase their impact through fostering partnership with the network of parent organization affiliates and chapters, regional and state-level entities that involve parents, and local community anti-drug coalitions; and provide science-based prevention strategies, information, and materials to parents and parent-serving organizations, thereby strengthening their ability to protect their children from the risks of drug use.

V. PROGRAM ACCOMPLISHMENTS

Media Campaign

- Media outlets receiving paid advertising are asked to match the value of those ads with in-kind public service, known as "pro-bono" match. To date, the Campaign has received 111 percent media match at a value of \$369 million, with 81 percent of the media match in advertising, 14 percent in programming and advertorials, and 5 percent in events and community activities. More than 13,397 pro-bono Public Service Announcements (PSAs) have aired on national TV and more than 387,970 pro-bono PSAs have aired in local broadcast (radio and TV). Additionally, more than 466 million pro-bono Internet match impressions are recorded.
- Through strategic partnerships, the Campaign is increasing the number of organizations and businesses through which accurate drug messages reach their target audiences. Partnerships have been forged with more than 40 of the nation's largest and most recognizable community and multicultural organizations nationwide. Some recent partnerships have included:
 - Partnership with the YMCA of the USA yielded incorporation of drug prevention resources and messaging in its curriculum and after school programs. Collaboration also ensured basic substance abuse training for all YMCA teaching staff.
 - Partnerships with multicultural organizations which include 100 Black Men, ASPIRA (a Hispanic group reaching youth), United National Indian Tribal Youth (the largest American Indian and Alaska Native youth group in the country representing 28 tribes) and the U.S. Hispanic Leadership Institute (to reach Hispanic youth).
 - Working with entertainment industry Guilds, major broadcast networks, and other partners, the Campaign conducted briefings and writers' workshops covering issues related to substance abuse and accurate portrayals of drugs in TV and film. Attendees at Campaign events included representatives of all the networks, and writers/producers from television's most popular shows such as *Boston Public* and *All My Children*.

- The Campaign engaged major professional and amateur sports organizations in high-profile outreach programs targeted to youth. Organizations including the National Basketball Association, Major League Baseball, and the Women in Sports Foundation participated in activities ranging from press events and satellite video broadcasts to youth journalism projects. In addition, more than 75 professional football, basketball, hockey and baseball players provided personal statements for inclusion in youth outreach.
- On November 27, 2000, the Media Campaign placed a special eight-page supplement in *USA TODAY* that celebrates the good choices that America's young people are making to grow up healthy and drug free. With strategic support from and outreach by the National Middle Schools Association and the National Association of Student Assistance Professionals, the supplement was distributed through 2.2 million *USA TODAY* newspapers, schools and youth-serving organizations.
- The Campaign enlisted the support of major celebrities, professional athletes and entertainment talent including Michael Eisner, Miss America 1999 Nicole Johnson, Kurt Warner, extreme athlete Andy McDonald, Olympic Gold Medallist Tara Lipinski, Mike Modano of the 1999 NHL Champion Dallas Stars, Venus and Serena Williams, the 1999 World Cup Champion U.S. Women's Soccer Team, The Dixie Chicks, Bill Cosby, Howie Mandel, Mary J. Blige, Jessica Simpson, Christina Aguilera, Lauryn Hill, Lara Croft, 9 Days, and N' Sync.
- The campaign successfully integrated diverse messages for greater marketplace impact and synergy through development of a "brand." Creative works coming from multiple pro-bono agencies have been coalesced into a unified communications strategy that developed and launched the anti-drug "brand" for ONDCP. The use of the "Anti-Drug" as a branding signature and branding device results in uniformity across all media.
- The development of Campaign web sites and online areas resulted in more than 14.5 million page views since the launch of the Campaign. The Campaign's primary youth site, Freevibe.com, and primary parent site, Theantidrug.com, have both been industry ranked within the 100 most visited web sites in their respective categories: Freevibe, number 23 top-ranked family site; Theantidrug.com, number 81 top-ranked health site. Other Campaign sites include:
 - Teachers Guide (teachersguide.org), Anti-drug resource material designed for use by teachers,
 - StraightScoop.org for junior high and high school journalists,
 - Mediacampaign.org for campaign stakeholders, news media and general public information about the Campaign,
 - AOL's Parents' Drug Resource Center (PDRC) (Keyword: Drug Help), and
 - AOL's "It's Your Life" (Keyword: Your Life).

- Campaign web sites and messages have been promoted or featured by top online and traditional media venues. These venues included, but not limited to: About.com; aol.com; oprah.com; drkoop.com; MTV.com; NASA.com; the Lycos Network; Yahoo; Wired.com; CNN; USA Today; The Atlantic Monthly Online; the Benton Foundation's Connect for Kids, Oxygen Media, and local daily newspapers nationwide.

Drug-Free Communities

- **The Drug-Free Communities Program** awards grants directly to local community coalitions, which work to reduce substance abuse among youth and strengthen collaboration among organizations and agencies in the private and public sectors. Administration of the program represents a collaborative effort involving the Justice Department's Office of Juvenile Justice and Delinquency Prevention (OJJDP), which administers the grants, and the Center for Substance Abuse Prevention (CSAP), that provides grantees training and technical assistance. An independent evaluation is being conducted to provide information on program processes and outcomes.
- In FY 2000, ONDCP and OJJDP awarded 307 grants, 94 new grants and 217 reapplication grants from 1999. These coalitions are located in all 50 states, the District of Columbia, Puerto Rico, Guam, American Samoa, Northern Mariana Island and the U.S. Virgin Islands. Twenty-five were awarded to Native American communities and approximately 40 percent awarded to small towns or rural areas.

United States Olympic Committee (Anti-Doping Program)

- ONDCP has led efforts to help improve purely domestic anti-doping programs. ONDCP also assisted the United States Olympic Committee in the development of the new United States Anti-Doping Agency, and provided \$3 million in funding in FY 2000. In order to build upon the success of the 2000 Summer Games, working with the Congress, the federal government has provided \$3.3 million in FY 2001 to support the anti-doping program of the upcoming 2002 Salt Lake City Games.

National Drug Court Institute

- Title V of the Violent Crime Control and Law Enforcement Act of 1994 (P.L. 103-322) authorizes the Attorney General to make grants to state and local governments to establish drug courts. The Special Forfeiture Fund includes \$1 million in FY 2001 to assist the National Drug Court Institute with this program. As of October 31, 2000, 593 drug courts were operating nationwide, including adult, juvenile, tribal, and family drug courts.

U.S. SMALL BUSINESS ADMINISTRATION

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 3	\$3.500	\$3.500	\$5.000
Drug Resources by Function			
Prevention	\$3.500	\$3.500	\$5.000
Drug Resources by Decision Unit			
Education	\$3.500	\$3.500	\$5.000
Program Administration	<u>0.000</u>	<u>0.000</u>	<u>\$0.000</u>
Total	\$3.500	\$3.500	\$5.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Information			
Total Agency Budget	\$914.6	\$899.5	\$539.0
Drug Percentage	0.4%	0.4%	0.9%

II. METHODOLOGY

- All resources for the Drug-Free Workplace Program (DFWP) are 100 percent drug-related.

III. PROGRAM SUMMARY

- The Drug-Free Workplace Act of 1998 established a Drug-Free Workplace (DFWP) Demonstration Program within the U.S. Small Business Administration.
 - The Act allows the Small Business Administration (SBA) to make grants to eligible intermediaries to assist small businesses financially and technically in establishing DFWP programs.
 - The Act allows SBA to provide contracts to the Small Business Development Centers to provide information and assistance to small businesses with respect to establishing DFWP programs.
- Among the activities that are performed by the recipients are:
 - Providing financial assistance to small businesses as they set up drug-free workplace programs (e.g., free and/or reduced costs for EAP services and/or drug testing);
 - Educating small businesses on the benefits of a drug-free workplace;

- Encouraging small business employers and employees to participate in DFWP programs; and
- Educating parents that work for small businesses on how to keep their children drug-free.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 3: Reduce health and social costs to the public of illegal drug use., Objective 3: Increase Drug-Free Workplace Programs.

- The total drug control budget supported by the FY 2001 appropriation is \$3.5 million, which supports the Paul D. Coverdell Drug-Free Workplace Program.

FY 2002 Significant Program Changes

- The total FY 2002 drug control request for Goal 3 activities is \$5.0 million, which is a net increase of \$1.5 million over the FY 2001 enacted level.
- Through the Small Business Administration, the FY 2002 budget supports grants to organizations that help small businesses develop employee drug education programs and company drug policies. With this money, SBA will be able to help meet the increased demand for assistance by awarding more grants to intermediaries, which assist small businesses in establishing drug-free workplace programs.

V. PROGRAM ACCOMPLISHMENTS

- The program's first full year of funding was September 17, 1999 through September 16, 2000. During that year approximately 975 small businesses set up drug-free workplace programs. This would not have happened without the financial and technical assistance provided by SBA's Drug-Free Workplace Program.

BUREAU FOR INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 4	\$13.364	\$18.687	\$25.030
Goal 5 Regular Counternarcotics Programs	260.477	260.598	136.970
Goal 5 Plan Colombia	1,018.500	---	---
Goal 5 Andean Regional Initiative	<u>0.000</u>	<u>---</u>	<u>731.000</u>
Total	\$1,292.341	\$279.285	\$893.000
Drug Resources by Function			
International - Regular Counternarcotics	\$273.841	\$279.285	\$162.000
Plan Colombia	1,018.500	---	---
Andean Regional Initiative	<u>---</u>	<u>---</u>	<u>731.000</u>
Total	\$1,292.341	\$279.285	\$893.000
Drug Resources by Decision Unit			
Regular Counterdrug Programs	\$273.841	\$279.285	\$162.000
Plan Colombia Counterdrug Programs	1,018.500	---	---
Andean Regional Initiative	<u>---</u>	<u>---</u>	<u>731.000</u>
Total	\$1,292.341	\$279.285	\$893.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	142	159	159
Information			
Total Agency Budget	\$1,322.341	\$324.285	\$948.000
Drug Percentage	97.7%	86.1%	94.2%

II. METHODOLOGY

- All Department of State Bureau for International Narcotics and Law Enforcement Affairs (INL) programs, except those appropriated for international crime and justice activities, are scored as 100 percent drug-related.

III. PROGRAM SUMMARY

- The mission of the Bureau for International Narcotics and Law Enforcement Affairs is to develop, implement and monitor U.S. international counternarcotics strategies and foreign assistance programs that support the President's *National Drug Control Strategy*. Two of INL's primary mandates are in response to the Andean Strategy, which provides the focus for drug control in the major coca producing countries, and the heroin strategy, which addresses global aspects of this problem. INL functions also include foreign policy formulation and coordination, program management and diplomatic initiatives. The Department's drug

control programs support Goals 4 and 5 of the *National Drug Control Strategy* as described below.

- INL conducts narcotics law enforcement training in cooperating countries to improve the technical and investigating skills of drug law enforcement and to increase the cooperation and coordination between U.S. and foreign law enforcement officials. INL also supports participation by various foreign transit zone law enforcement agencies in a cooperative interdiction intelligence project with the El Paso Intelligence Center (EPIC).
- INL country programs improve foreign government institutional capabilities to implement comprehensive national drug control plans that reduce the availability of illicit drugs and address other drug-related crimes, such as money laundering, through commodity and technical assistance programs. INL supports interregional aviation programs to assist cooperating governments' drug crop eradication and enforcement operations against drug processing sites. INL also provides training and assistance to governments, NGOs, and international organizations to support the development of prevention and treatment programs aimed at increasing public awareness of the drug threat, and strengthening the international coalition against this problem.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The 2001 base program includes \$18.7 million for law enforcement activities, which support Goal 4 of the *National Drug Control Strategy*.
- These resources fund programs that assist cooperating governments adjacent to U.S. borders and in the transit zone to maintain enforcement organizations that provide information to, and operate cooperatively with, U.S. interdiction authorities.

Goal 5: Break foreign and domestic drug sources of supply.

- The FY 2001 program includes \$260.5 million to support Goal 5 activities. Activities to be funded include:
 - **Country Programs.** The requested funding will support law enforcement and judicial programs designed to disrupt illicit drug trafficking through identification of trafficker groups, arrest and subsequent prosecution. Requested funds will bolster legal alternative crop programs for farmers in Bolivia and Peru, while increasing eradication activities to continue the net reduction of illicit coca cultivation. Assistance to Colombia will concentrate on discouraging cultivators or would-be cultivators through aerial eradication in the Putumayo region, and through limited alternative development programs. Mexico program funding will concentrate on judicial sector training, law enforcement activities the Southwest Border Initiative.

- **Interregional Airwing.** Interregional Airwing supports aerial eradication operations in Colombia; aerial logistical support requirements for eradication and law enforcement activities in Colombia, Bolivia and Peru; for temporary regional deployments to Central America; and for adjustments to contract costs based on negotiated modifications. Desired results include further net reductions in coca and opium poppy cultivation and increased interdiction operations. The funding request is also aimed at institution building within the three Andean country aviation programs with the intent of reducing American support presence.
- **International Organizations.** International Organizations funding will support U.S. Government pledges to the Organization of American States Inter-American Drug Advisory Program (OAS/CICAD) and the United Nations Drug Control Program. The UNDCP will help to start or strengthen a number of programs, often in countries with no bilateral relationship with the U.S., and to support United Nations General Assembly Special Session goals regarding the elimination of all illicit drug crops by 2008. Many such programs -- demand reduction, alternative development, judicial reform and chemical controls, for example -- are critical to the success of U.S. Government anti-drug efforts.
- **Law Enforcement Training and Demand Reduction.** Provides additional training aimed at improving the technical and investigative skills of high priority anti-drug law enforcement personnel, with increased emphasis on financial crimes related to the drug trade.
- **Systems Support/Upgrades.** The Systems Support and Upgrades provides funds for additional C-26 support, airborne surveillance systems for C-26 platforms, and possible OV-10 refurbishment and A-10 testing.
- **Program Development and Support.** Program Development and Support funding, which covers Washington staff operating expenses, will also support additional foreign and civil service program officers and administrative personnel FTE authorized by the Department.

FY 2002 Significant Program Changes

- The total FY 2002 INL drug control budget request is \$893.0 million, an increase of \$613.7 million over the FY 2001 plan of \$279.3 million. Of the total request, \$731 million is for Andean Regional Initiative programs.
- **\$731 million (Andean Regional Initiative Programs)** The request of \$731 million for FY 2002 represents follow on support for initiatives begun in FY 2000/2001 with the Plan Colombia Emergency Supplemental, with emphasis on drugs, democracy and development. This new category includes support for Colombia, Peru, Bolivia, Ecuador, Brazil, Venezuela and Panama. The request of \$731 million contains an increase of \$576.6 million in new funding over FY 2001 base programs totaling \$154.4 million for these seven countries. For Colombia, the FY 2002 request of \$399 million, an increase of \$351 million over FY 2001, is principally for operations and maintenance of air assets provided under Plan Colombia

supplemental funding, for National Police and Colombian Army Counternarcotics Brigade operational support, herbicide, airfield upgrades, base and security upgrades, communications equipment, and riverine and coastal interdiction activities. Funds are also requested to implement critical humanitarian and social and economic development programs through USAID, to include democracy, alternative development and support to vulnerable groups (e.g., displaced persons and child combatants), and for justice sector reform projects. The Peru request of \$156 million represents an increase of \$108 million over FY 2001 funding, and the Bolivia request of \$101 million, an increase of \$49 million. Funding will support enhanced interdiction and border control efforts to preempt spillover from Colombia counternarcotics efforts, continuation of forced eradication, alternative development and institution building initiatives. Other Andean support of \$75 million for Ecuador, Brazil, Venezuela and Panama is also for increased border control interdiction, plus forward operating location support, and alternative development for Ecuador.

- **\$6.3 million (Interdiction/Joint Information Communication Centers)** This enhancement will upgrade interdiction capabilities of Central American and Caribbean transit countries by providing additional training and equipment supported by a regional effort to negotiate bilateral maritime law enforcement agreements. Secondly, supports the creation, where appropriate, and upgrades for Joint Information Communication Centers (JICCs) with new equipment, software and training, and promote more real-time interchange of cueing information from maritime and air detection platforms to law enforcement entities.
- **\$7.7 million (Other Country Programs)** Increased funding will provide an expanded resources to existing country programs. The Mexico program request will be increased by \$2 million to \$12 million to focus on judicial sector training, law enforcement activities and the anti-money laundering projects. An increase of \$5.7 million for Asia and Middle East Regional programs is requested to support opium crop eradication and sustainable development programs in Laos, Pakistan and Thailand, where the USG has access and government cooperation. The regional cooperation program is designed to help governments begin establishing counternarcotics law enforcement units, obtain training or equipment, and conduct demand reduction/public awareness campaigns.
- **\$10 million (Interregional Airwing)** This increased funding provides continued support for the Interregional Airwing. Funding will be increased by \$10 million to \$60 million for FY 2002. This amount will provide for aerial eradication operations in Colombia; aerial logistical support requirements for eradication and law enforcement activities in Colombia, Bolivia and Peru; for temporary regional deployments to Central America; and for adjustments to contract costs based on negotiated modifications. Desired results include further net reductions in coca and opium poppy cultivation and increased interdiction operations. The funding request is also aimed at institution building within the three Andean country aviation programs with the intent of reducing American support presence.
- **\$8 million (International Organizations)** International Organizations funding will be increased by \$8 million to \$20 million. The request level continues to support U.S. Government pledges to the Organization of American States Inter-American Drug Advisory Program (OAS/CICAD) and the United Nations Drug Control Program, the later which will help to start or strengthen a number of programs, often in countries with no bilateral

relationship with the U.S., and to support United Nations General Assembly Special Session goals regarding the elimination of all illicit drug crops by 2008. Many such programs -- demand reduction, alternative development, judicial reform and chemical controls, for example -- are critical to the success of U.S. Government anti-drug efforts.

- \$2 million (Law Enforcement Training and Demand Reduction) The FY 2002 request of \$12 million represents a \$2 million increase over FY 2001 for this program, which will provide additional resources for training aimed at improving the technical and investigative skills of high priority anti-drug law enforcement personnel, with increased emphasis on financial crimes related to the drug trade.
- **\$2 million (Systems Support/Upgrades)** The Systems Support and Upgrades funding request will be increased by \$2 million to \$6 million for FY 2002. The request level will provide additional funds to existing C-26 support, airborne surveillance systems for C-26 platforms, and possible OV-10 refurbishment and A-10 testing.
- **\$ 1.5 million (Program Development and Support)** Program Development and Support funding, which covers Washington staff operating expenses, will increase by \$1.5 million to a total of \$13 million, to fund additional foreign and civil service program officers and administrative personnel FTE authorized by the Department.

V. PROGRAM ACCOMPLISHMENTS

- Over the past year, INL's programs have had a significant impact on strengthening international drug and crime control efforts. Much of this success is due to focusing efforts on the "center of gravity" of the drug and crime threats: on the drug crops, narcotics kingpins, and crime bosses. As a result, cooperation with the United States is improving, and efforts are producing positive results.
- Coca production continues to decline in both Peru and Bolivia. The area of coca under cultivation in Peru has been reduced approximately 70 percent over the last five years . As of December 2000, Bolivia reached its target of eliminating the last 7,500 hectares of remaining coca in the Chapare, and plans are underway to eliminate the illegal coca in the Yungas, and reduce the amount under cultivation there for indigenous use. The Bolivians are on track to completely eliminate illicit coca cultivation by 2002.
- Colombia, faced with especially challenging geographic, topographic, and security challenges in the drug cultivation zones, continued with a massive aerial-applied herbicide spray campaign, covering almost 42,000 hectares of coca. Bolstered with an infusion of funding from the FY 2000 Plan Colombia Emergency Supplemental, efforts included a series of Colombian National Police (CNP) campaign-style deployments to departments never before sprayed in, including Norte de Santander and Tumaco, as well as eradication in the known heavy cultivation areas of Caqueta and the Guaviare. In addition, initial spray flights into the southeastern portion of the Putumayo department were conducted. However, it is expected that increases in new and expanded cultivation over the past year in southern Colombia will more than offset the reductions due to aerial eradication.

- The counternarcotics alternative development program in Peru achieved significant results, increasing the gross value of licit agricultural production to \$64.6 million in targeted areas. This exceeds the gross value of coca leaf production in the same areas by 10 percent, and marks a notable decline in the illicit economy based on coca.
- Thailand continued a successful opium eradication project that led to the second lowest cultivation and production since the U.S. began crop estimates in the mid-1980's. The eradication forces destroyed 758 hectares cultivated in 2000, resulting in net opium production of six metric tons for the second year in a row, which is less than one percent of Southeast Asian production. This was the second year in a row that the Thai crop has been below 1,000 hectares.
- This past year Pakistan reduced opium poppy cultivation from 1,570 to 515 hectares, and opium production declined from 37 to 11 metric tons. Pakistan was previously the world's third largest supplier of illicit opium, and now it has virtually eliminated poppy cultivation. INL has supplied commodities and technical assistance, and funded infrastructure development such as road building, rural electrification and water supply, thereby encouraging farmers to abandon poppy.
- INL continued support for a major new multi-year alternative development project in Phongsali Province, Laos, to include roads, dams, irrigation and alternative agricultural training. The Phongsali project follows the model of the highly successful Houaphanh project.
- The Government of El Salvador agreed this past year to permit the U.S. to establish a forward operating location (FOL) at its international airport. Together with FOLs in Manta, Ecuador and Curacao, the El Salvador FOL will improve the operational flexibility of the U.S. air interdiction effort regarding Andean interdiction activities.
- INL has encouraged and assisted governments in strengthening their judicial and banking systems resulting in modernized laws, improvements in court systems, and progress on extradition. Guyana, Jamaica and Trinidad and Tobago enacted legislation to strengthen their anti-money laundering regimes. The Thai government also passed their first money laundering statute this past year and opened an anti-money laundering office. The Dominican Republic established a Financial Analysis and Financial Investigation Units to combat money laundering.
- U.S.-provided law enforcement training and assistance has improved the ability of foreign governments to find and prosecute major criminals that target the United States. Mexico, Thailand, Nigeria and other major drug countries are for the first time directly attacking the top kingpins. Many, including most recently Colombians, Jamaicans and Nigerians, are being extradited to the United States.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 5	\$1.000	\$1.000	\$2.500
Drug Resources by Function			
International	\$1.000	\$1.000	\$2.500
Drug Resources by Decision Unit			
Narcotics Rewards	\$1.000	\$1.000	\$2.500
Drug Resources Personnel Summary			
Total FTEs (direct only)	---	---	---
Information			
Total Agency Budget	\$13.0	\$9.5	\$15.5
Drug Percentage	7.7%	10.5%	16.1%

II. METHODOLOGY

- The drug portion of the Emergencies in the Diplomatic and Consular Service appropriation consists exclusively of the narcotics rewards program. The amount budgeted for a given year is driven by the inflow of information leading to the arrest and conviction of individuals involved in narco-terrorism incidents or the frustration of such incidents.
- The amount determined for a given reward is based on several factors, including the nature of the subject trafficker, the value of the information provided, and local circumstances.
- Payment amounts are initially recommended by post, reviewed by an inter-agency committee, and approved by both the Secretary of State and the Attorney General.

III. PROGRAM SUMMARY

- The Narcotics Rewards Program was established by Congress in 1986 as a tool to assist the U.S. Government in identifying and bringing to justice the major narcotics traffickers responsible for bringing hundreds of tons of illicit drugs into the United States each year.
- The Department of State's Emergencies in the Diplomatic and Consular Services (EDCS) appropriation administers the Narcotics Rewards program, and closely coordinates management activities for the program with the Department's Bureau for International Narcotics and Law Enforcement Affairs (INL). The Department's drug control programs

support Goal 5 of the *National Drug Control Strategy*, "Break Foreign and Domestic Drug Sources of Supply."

- INL closely coordinates program management with the Department of Justice, the Drug Enforcement Administration and other interested U.S. agencies.
- Drug control funds available under this appropriation provide rewards for information concerning international narco-terrorism activities. Authorization to make narco-terrorism reward payments is detailed in the Anti-Drug Abuse Act (P.L. 100-690), the International Narcotics Control Act of 1989 (P.L. 101-231), and the State Department Basic Authorities Act, as amended (P.L. 105-323). The latter legislation increased the individual ceiling on these rewards to \$5 million. The EDCS narco-terrorism program supports the federal drug control priorities by strengthening international cooperation and actions against narcotics production, trafficking, and use.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 5: Break foreign and domestic drug sources of supply.

- In FY 2001, resources continue at the FY 2000 level.

FY 2002 Significant Program Changes

- In FY 2002, funding for rewards programs has more than doubled to \$2.5 million. This will continue the narco-terrorism rewards program, which supports Goal 5 of the *Strategy*.

V. PROGRAM ACCOMPLISHMENTS

- The EDCS rewards program has continued to make progress in the development of a comprehensive publicity campaign, utilizing a variety of innovative approaches ranging from an Internet Home Page to public service announcements and promotion of its program through other DEA and FBI activities. The reward program is fully integrated into a key interagency counter-narcotics intelligence group focused on Latin America and continues to promote vital information to enhance other law enforcement efforts.

PUBLIC DIPLOMACY

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 5	\$8.000	\$8.800	\$9.000
Drug Resources by Function			
International	\$8.000	\$8.800	\$9.000
Drug Resources by Decision Unit			
Overseas Missions	\$6.600	\$7.200	\$7.400
Information Programs & Cultural Programs	<u>1.400</u>	<u>1.600</u>	<u>1.600</u>
Total	\$8.000	\$8.800	\$9.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	78	78	78
Information			
Total Agency Budget	\$447.6	\$477.7	\$493.0
Drug Percentage	1.8%	1.8%	1.8%

II. METHODOLOGY

- The drug percentage for this program is based on estimates provided by the six geographic Public Diplomacy area offices, the Bureau of Educational and Cultural Affairs, and the Office of International Information Programs. The total agency budget includes Diplomatic and Consular Programs appropriation, public diplomacy earmarks, plus Educational and Cultural Exchanges requests.
- Programs involving grants—including speaker programs, educational exchanges and foreign visitors to the U.S.—that are directly attributable to drug control are easy to identify. It is more difficult to calculate the drug control portion of other activities. The cost of Internet sites, for example, is spread over a number of thematic areas. An attempt has been made to estimate those amounts. Areas in which the costs are not possible to attribute to drug control include the press support provided by overseas embassies for visiting U.S. officials and the contact work done by officers in the field with key foreign publics.

III. PROGRAM SUMMARY

- Public diplomacy's drug control efforts support Goal 5 of the *National Drug Control Strategy*—"Break foreign and domestic drug sources of supply." Public affairs programming is designed to build understanding and support for U.S. international counterdrug activities. It provides information about U.S. policies and programs, underscores the U.S. investment in demand reduction programs, demonstrates the threat posed by drug trafficking to source and transit countries, and strengthens the capacity and

willingness of foreign countries to fight drug abuse, trafficking and related criminal activities. Public diplomacy's counterdrug programs are implemented through:

- **Overseas Embassies.** Public diplomacy offices at 193 U.S. Missions in 142 countries carry out public affairs programs on drug issues under the direction of the ambassador and in close collaboration with DEA and other U.S. Government agencies. The drug-producing and transit countries of Latin America continue to be the State Department's primary focus for building public support against illegal drugs. Embassies in the heroin producing and drug transit countries of Asia, Africa and Europe conduct more limited programs.
- **Information and Exchanges.** The State Department supports the activities of its overseas embassies with products and services from its Washington headquarters. These include news, official texts, and other materials on drug issues that are transmitted electronically to the field or posted on various Internet sites. In addition, the Department recruits American experts to participate in speaker programs, teleconferences and seminars; and reference services are available to respond to inquiries from mission contacts. The Department conducts professional and academic exchange programs on drug-related issues so as to enable Americans and their international counterparts to compare techniques and profit from each others' experiences.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 5: Break foreign and domestic drug sources of supply.

- The Department's Public Diplomacy budget for FY 2001 totals \$8.8 million.
- A total of \$7.2 million will be spent on drug-related public diplomacy activities at overseas missions. This base program includes the cost of media programs, salaries and other operating costs, and local costs for seminars and speaker programs.
- Washington-based activities will cost \$1.6 million, including: (1) International Visitor, Hubert Humphrey, Fulbright and other drug-related exchange programs (\$1.1 million); (2) information programs including teleconferencing, speaker programs, texts, background articles, and reference services (\$0.4 million); and (3) overall policy coordination (\$0.1 million).

FY 2002 Significant Program Changes

- The FY 2002 budget for Public Diplomacy includes a request of \$9 million and 78 FTEs. This represents a \$0.2 million increase over FY 2001 enacted levels. Most of these resources will continue to focus on efforts in the Western Hemisphere, including Plan Colombia USG support.

V. PROGRAM ACCOMPLISHMENTS

- This year, the Public Affairs Section (PAS) **Bogota** has devoted enormous effort to answering media queries from the Colombian and international media on the U.S. counter-narcotics program and its support for Plan Colombia.
- The PAO's office in **Jeddah, Saudi Arabia**, sent local health official Dr. Mona Swaaf on the June, 2000, International Visitor program "Drug Education, Treatment and Prevention." Dr. Swaaf returned to Jeddah to convince her supervisor, the Director General of Medicine for Saudi Arabia's Western Province, to institute training models she learned during her U.S. program. She also launched a call-in radio program on drug awareness and started a new weekly column in two Saudi newspapers.
- Public Diplomacy exchange program funds brought ten American academics and researchers to Cape Town to participate in the Howard University-South African Medical Research Council meeting on "Substance Abuse, Crime, Violence and HIV/AIDS as Consequences of Poverty: Strategies for Prevention, Intervention, and Treatment in the U.S. and South Africa." The conference aimed at enhancing collaborative research, prevention and treatment projects in the areas of crime, violence, substance abuse and HIV/AIDS.

UNITED STATES COAST GUARD

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 4	\$758.592	\$634.301	\$757.384
Goal 5	<u>2.209</u>	<u>1.994</u>	<u>2.062</u>
Total	\$760.801	\$636.295	\$759.446
Drug Resources by Function			
Interdiction	\$756.972	\$631.742	\$754.858
Research & Development	<u>3.829</u>	<u>4.553</u>	<u>4.588</u>
Total	\$760.801	\$636.295	\$759.446
Drug Resources by Decision Unit			
Operating Expenses (OE)	\$585.825	\$582.889	\$619.232
Acquisition, Construction, and Improvements (AC&I)	171.147	48.853	135.626
Research, Development, Test and Evaluation (RDT&E)	<u>3.829</u>	<u>4.553</u>	<u>4.588</u>
Total	\$760.801	\$636.295	\$759.446
Drug Resources Personnel Summary			
Total FTEs (direct only)	7,759	7,401	7,272
Information			
Total Agency Budget	\$4,994.3	\$4,635.9	\$5,181.1
Drug Percentage	15.2%	13.7%	14.7%

II. METHODOLOGY

- The methodology, described below, provides a summary of how the Coast Guard develops its Drug Control Budget estimates. It should be noted that the Coast Guard does not receive a specific appropriation for drug interdiction activities. All drug interdiction operations, capital improvements/acquisitions, and research and development activities are funded out of the Coast Guard appropriations mentioned below. The Coast Guard's accounting system is facilities-based and accounts for resources expended by the operating and support elements of the Coast Guard, but not by mission areas. In addition, these facilities, such as ships and aircraft, are multi-mission capable and carry out an array of Coast Guard missions. Finally, the Coast Guard does not have an accounting system designed to specifically capture personnel cost data by mission.
- The Coast Guard's multi-mission nature strengthens its ability to provide efficient and effective public services. However, this flexibility makes it difficult to identify resources expended on each specific mission area. As a result, the Coast Guard has developed a cost allocation model called the Program Budget. The Program Budget model, originally designed to provide an allocation based on historical expenditure data by mission area, has

been continually improved and is used to allocate future budget authority to the missions areas of the Coast Guard, such as Drug Interdiction. This methodology bridges the gap between Coast Guard appropriations/accounting system and the primary mission areas that support the Coast Guard's strategic goals.

- **Operating Expenses (OE) Appropriation:** OE funds are used to operate Coast Guard facilities, maintain capital equipment, improve management effectiveness, and recruit, train, and sustain all active duty military and civilian workforce personnel. The Program Budget model systematically allocates OE dollars to primary missions and operating programs, such as Drug Interdiction. The methodology uses various cost drivers, such as the hours that cutters, aircraft, boats, and personnel normally spend on various types of missions to allocate costs to mission areas.

Budget presentation of OE dollars by mission areas has proven to be very valuable by providing insight into the multi-mission use of assets and personnel. However, for many years, the Program Budget has been used to allocate the Coast Guard OE appropriation to operational mission areas based on the percentage of time Coast Guard multi-mission assets historically spent on each mission. Recently, the methodology was improved to include the ability to project future allocations using baseline program activity levels for each mission area. The baseline approach identifies the amount of time Coast Guard assets are expected to be employed in support of mission areas as opposed to using historical data to project future budget estimates for mission areas.

- **Acquisition, Construction & Improvements (AC&I) Appropriation:** The Coast Guard uses the Program Budget model data to do a line item analysis of AC&I projects to determine cost allocations to each mission area. AC&I project costs are allocated based on the percentage of time the asset being acquired, constructed or improved, is expected to dedicate towards respective mission and operating programs, such as Drug Interdiction.
- **Research, Development, Test & Evaluation (RDT&E) Appropriation:** This Decision unit contains funding associated with the direct and indirect support of Drug Interdiction. Funding for direct project support is based on R&D tasks performed solely to assist and improve drug detection and interdiction. Funding for indirect project support is based on those R&D tasks done for other mission programs that could also influence or improve drug law enforcement.
- **Goals and Functions:** Coast Guard drug control efforts contribute primarily to achieving the supply reduction goals of the *National Drug Control Strategy*. The vast majority of Coast Guard drug interdiction operations are designed to reduce the flow of drugs entering the United States and directly support Goal 4 of the *Strategy*: Shield America's Air, Land, and Sea Frontiers from the Drug Threat. As such, most drug interdiction funding, or costs, are allocated to Goal 4 using the above methodologies. The Coast Guard also supports the objectives of Goal 5 of the *Strategy*: Break Foreign and Domestic Drug Sources of Supply. The amount allocated to this Goal represents the cost of providing Intelligence resources focused on source country issues and costs for personnel that carry out international training efforts in source countries.

The Coast Guard arrays funding information into two primary functions, Interdiction and Research and Development. All funding, or costs, is listed under the interdiction function, with the exception of those allocated to drug interdiction activities within the RDT&E Appropriation and reported under the research and development function. It should also be noted that the Coast Guard's Intelligence and International functions are in direct support of interdiction operations and therefore are not listed separately.

- **Personnel:** Full time permanent (FTP) and full time equivalent (FTE) information is calculated following the same baseline approach used to formulate the drug funding for the OE, AC&I and RDT&E appropriations. The baseline drug percentage is applied to the estimated FY 2000 – 2002 personnel totals requested for the respective appropriations. Due to the Coast Guard's multi-mission nature, this methodology portrays the best allocation possible of current FTP and FTE to the Drug Interdiction mission area.

III. PROGRAM SUMMARY

- Maritime drug interdiction is an integral component of the *National Drug Control Strategy*. The Coast Guard enforces federal laws in the transit and arrival zones as the Nation's principal maritime law enforcement agency with jurisdiction on, under and over the high seas and U. S. territorial waters. As part of the Coast Guard's strategic goal in Maritime Security, the Coast Guard's drug interdiction objective is to reduce the flow of illegal drugs entering the United States by denying maritime smuggling routes as part of the interagency effort to reduce the supply of illegal drugs below the national demand level. This objective aligns with ONDCP's Performance Measures of Effectiveness (PME) system that specifically targets a reduction in the rate at which illegal drugs successfully enter the United States from the transit and arrival zones.
- Coast Guard drug interdiction responsibilities are prescribed in the *National Drug Control Strategy*. This strategy includes five goals and thirty-one objectives intended to focus a national effort that will reduce illegal drug use and availability by 50 percent during the ten-year period beginning FY 1998 and ending in FY 2007. In support of the *National Drug Control Strategy*, the Coast Guard has developed a ten-year Counterdrug Strategic Plan, Campaign STEEL WEB. This plan is a comprehensive approach to maritime counterdrug law enforcement in the transit and arrival zones. The cornerstones of this strategy are:
 - Maintain a strong interdiction presence highlighted by agile and flexible operations in the transit and arrival zones. This will be accomplished through a series of sequential pulse operations designed to deny smugglers access to maritime routes and deter trafficking activity;
 - Strengthen ties with source and transit zone nations to increase their willingness and ability to reduce the production and trafficking of illicit drugs within their sovereign boundaries, including territorial seas. This will be accomplished through increased engagement designed to deny smugglers safe havens and enhance the law enforcement capabilities of these nations' maritime forces;

- Support interagency and international efforts to combat drug smuggling through increased cooperation and coordination; and
- Promote efforts to reduce illegal drug and alcohol use in the maritime environment.
- Highlights of the Coast Guard's drug control programs are listed below by the *National Drug Control Strategy* goal and initiatives they support.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The Coast Guard aims to conduct effective, agile interdiction operations directed at high threat drug smuggling activity to significantly impact maritime trafficking routes and modes through seizures, disruption and displacement. To this end, the Coast Guard:
 - Deploys a fleet of vessels and aircraft that are equipped with sensors, communications systems and detection technologies guided by coordinated intelligence to surveil, detect, classify, identify, and interdict suspected drug traffickers in the maritime transit and arrival zones. These deep-water cutters, patrol boats, maritime patrol aircraft, helicopters and various small boats provide a critical maritime interdiction presence;
 - Participates in coordinated and joint operations with law enforcement agencies, DoD, and international partners to enhance the effectiveness of transit and arrival zone interdiction efforts. The Coast Guard plans and executes cooperative operations enhancing surveillance, detection, classification, identification, and prosecution in the transit and arrival zones;
 - Deploys Coast Guard Law Enforcement Detachments aboard U.S Navy and foreign naval vessels to provide maritime law enforcement expertise and authority required to carry out interdiction operations throughout the transit zone; and
 - Supports the *Strategy's* impact target of reducing the rate at which illegal drugs enter the United States 10 percentage points by FY 2002 and 20 percentage points by FY 2007.

Goal 5: Break foreign and domestic drug sources of supply.

- The Coast Guard conducts combined law enforcement operations with nations in the source and transit zones. These operations provide training, bolster the participating nations' law enforcement capabilities and strengthen their political will to fight the adverse impacts of illicit smuggling.
- Coast Guard policy and legal experts, in conjunction with the Department of State, negotiate maritime counterdrug agreements with source and transit zone countries. These agreements promote seamless law enforcement efforts and facilitate the exercise of host nation authority. Through such initiatives, the Coast Guard strives to make territorial boundaries as functionally transparent to law enforcement forces as they are to the smuggling community.
- The Coast Guard provides ongoing support to lead agencies focused on Goal 5 programs that are designed to reduce the flow of drugs from source countries. These efforts include

providing intelligence resources concentrating on source country activities and personnel for international training in source countries.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The Coast Guard's total FY 2001 Drug Program level for all accounts is estimated at \$636.3 million. This level will provide for drug interdiction-related activities in support of Goals 4 and 5 of the *Strategy*. This total includes \$582.9 million for Operating Expenses (OE); \$48.9 million for Acquisition, Construction, and Improvements (AC&I); and \$4.5 million for Research, Development, Test and Evaluation.
- This FY 2001 program was designed to enable the Coast Guard to build upon Campaign STEEL WEB successes and increase interdiction effectiveness in the transit zone. Funding provided in FY 2001 allows the Coast Guard to sustain the FY 2000 level of counterdrug operations.
- The FY 2001 OE program level includes funding to improve end-game capability, that is the ability to locate, track, intercept and stop fleeing suspect vessels, in several ways. The request provides personnel and funding support to sustain current flight hour augments on HC-130 maritime patrol aircraft. Additional funds for deployable logistics support will increase the Coast Guard's ability to conduct "pulse" operations in areas of emerging smuggling threats in the transit zone, such as the Eastern Pacific, and sustain required maintenance operations in other high threat areas.
- The FY 2001 OE program further improves end-game capability through continued implementation of the very successful initiative referred to as Operation NEW FRONTIER. The ability to intercept, stop, and board go-fast smuggling boats will be enhanced with additional armed and hardened helicopters, capable of delivering non-deadly force to stop fleeing suspect vessels, working in tandem boats operating over-the-horizon (OTH) from the cutter from which it was launched. This initiative proved highly successful in limited scope deployments during FY 1999 and FY 2000. FY 2001 OE funding will provide for the lease of additional specially equipped helicopters. Funding will also provide for personnel, maintenance, operations, facilities and training associated with this initiative.
- In support of Operation NEW FRONTIER, the FY 2001 AC&I program includes funding to acquire a prototype, next generation, OTH cutter boat and to modify a major cutter to launch and recover this boat. The OTH boat will be capable of intercepting go-fast smuggler boats as well as delivering boarding teams to go-fasts stopped by Operation NEW FRONTIER helicopters.
- The FY 2001 AC&I program also supports surface end-game capability improvement by providing the funding to begin conversion of one surplus U.S. Special Operations Command

170-foot Patrol Craft (PC-170) that will eventually add critical surface vessel operating hours in support of surface interdiction efforts.

- Funds needed to leverage the effectiveness of existing assets and forces are also included in the FY 2001 OE program. Critical enhancements to intelligence collection and support will improve the Coast Guard's ability to identify, intercept and efficiently board smuggling vessels. Funding is also provided to add additional deployable Law Enforcement Detachments (LEDETs). Demand for the services of the highly trained law enforcement experts in LEDETs exceeds current capacity. Finally, the FY 2001 plan includes personnel to support enhanced training and technical assistance engagement with the maritime forces in source and transit nations as part of the STEEL WEB strategy.
- The FY 2001 RDT&E program level includes funding to improve surveillance and drug detection systems. Funding is also being used to develop non-deadly methods of disabling vessels fleeing Coast Guard interdiction efforts. This project directly supports the Coast Guard's Use of Force initiative.
- The FY 2001 drug program will sustain a presence for Operation FRONTIER SHIELD in the vicinity of Puerto Rico and the Virgin Islands.
- The FY 2001 drug program will also allow the Coast Guard to continue interdiction efforts in the maritime regions along the Southwest Border. Under Operation GULF SHIELD, off the coast of south Texas, and Operation BORDER SHIELD, off the coast of southern California, the Coast Guard has established maritime interdiction operations that complement the coalition efforts of federal, state, and local law enforcement agencies to reduce trafficking across the Southwest Border. As part of the Southwest Border Initiative, the Coast Guard will continue efforts to enhance international cooperation through its relationship with the Mexican Navy.
- The FY 2001 program will also support additional efforts in the Eastern Pacific theater of operations. The Coast Guard will continue Operation PACIFIC TRIDENT, a series of pulse operations in the transit zone off the West Coast of Mexico. The program will also allow the Coast Guard to continue limited support to Joint Inter-Agency Task Force (JIATF)-East's Operation CAPER FOCUS deep in the transit zone off the west coasts of Colombia, Peru, and Ecuador.

Goal 5: Break foreign and domestic drug sources of supply.

- In addition to the international components of the Campaign STEEL WEB "pulse & maintain" operations, the FY 2001 drug program allows the Coast Guard to continue combined international operations with Caribbean, Central and northern South American countries. Much of this work is possible as a result of the enduring support of the Coast Guard's interagency partners, such as the Department of State and Department of Defense. The program will include:

- Supporting U.S. Southern Command's source country initiative to disrupt production and transportation of illicit drugs. Coast Guard participation includes riverine training teams and forward deployed air intercept aircraft.
- A recurring series of multilateral counterdrug operations in the Eastern Caribbean involving French, Dutch, and United Kingdom resources and regional law enforcement authorities. This highly mobile operation is designed to focus on the highest threats in the region using local assets and law enforcement agencies in conjunction with multinational maritime forces.
- Bilateral Counterdrug Operations: The Coast Guard will continue periodic bilateral counterdrug operations such as Operation CONJUNCTOS with Panama, Operation RIP TIDE with Jamaica, and Operation COLOMBUS with the Colombian Navy. These efforts focus heavily on training and professional exchanges among law enforcement units with the goal of strengthening international coordination.
- Caribbean Support Tender: The Coast Guard will continue to operate a Caribbean Support Tender (CST) with a multi-national crew to provide mobile and professional training and technical assistance to various Transit Zone nations. The effort is designed to improve the operational capabilities and effectiveness of the maritime forces of Caribbean basin nations.

FY 2002 Significant Program Changes

- The Coast Guard's total FY 2002 Drug Program request for all accounts is estimated at \$759.4 million, a net increase of \$123.2 million above the FY 2001 funding level. This level will provide for drug interdiction-related activities in support of Goals 4 and 5 of the *Strategy*. The FY 2002 funding will support an estimated 7,272 FTE, a decrease of 129 FTE below the FY 2001 level.
- The FY 2002 budget makes permanent adjustments to the Coast Guard's operating resources that will trim assets in most severe readiness decline or reduced capability to ensure that the Coast Guard can operate at a level best sustained by the support infrastructure. This will result in a smaller Coast Guard cutter and aviation fleet. The FY 2002 request marks a step forward in Coast Guard transformation as the Service begins the first year of a twenty-year project to recapitalize its obsolete cutters and aircraft – the Integrated Deepwater System acquisition.
- The FY 2002 request provides a total of \$338.0 million (\$103.7 million drug-related) for the full-scale development of the Coast Guard's Deepwater project. The Deepwater project will ensure that the Coast Guard is properly equipped and outfitted so that long-term strategies such as Campaign STEEL WEB continue to reap success well into the 21st Century.
- A significant component of the funding for the Deepwater project (\$243.0 million total funding, \$74.6 million drug-related funding) is supported under a Presidential initiative for the Western Hemisphere Drug Elimination Act (WHDEA). Funding will be used for the purchase of major ships, aircraft, and communications systems. The recapitalization of

deepwater assets is critical to support the Coast Guard's future counterdrug efforts in the Caribbean and Eastern Pacific.

V. PROGRAM ACCOMPLISHMENTS

- During FY 2000, Coast Guard interdiction efforts resulted in a record year for drug seizures, accounting for 132,480 pounds of cocaine and 50,463 pounds of marijuana products. Cocaine seizures surpassed the previous record set in FY 1999--111,689 pounds.

	FY 1998 Actuals	FY 1999 Actuals	FY 2000 Actuals
Drug Seizures:			
-Cocaine (lbs)	82,623	111,689	132,480
-Marijuana Products (lbs)	31,390	61,506	50,463
-Seizure Cases	129	118	92

Campaign Steel Web

- During FY 2000, the Coast Guard continued Campaign STEEL WEB designed to reduce the flow of drugs through the transit zone by conducting Operations FRONTIER SHIELD, NEW FRONTIER, FRONTIER SABER, BORDER SHIELD and GULF SHIELD. The heart of the STEEL WEB strategy is the denial of maritime routes by a sequence of operations in which interdiction forces are concentrated in high threat areas.
- Campaign STEEL WEB will continue to strengthen the maritime law enforcement capabilities of America's international partners and increase pressure on transnational criminal organizations that sponsor drug smuggling throughout the transit zone. Increased crime, violence and corruption are closely associated with drug smuggling activity.
- COAST GUARD AS A FORCE PROVIDER FOR JIATF OPERATIONS: Since establishing STEEL WEB as the Coast Guard's counterdrug strategic plan in 1998, the Coast Guard has continued to increase the support it provides to these joint commands. Nearly 110,000 pounds, eighty-two percent of the cocaine the Coast Guard seized in FY 2000, was seized in the Eastern Pacific. Cutters assigned to JIATF-West in support of Operations SNOW FLURRY and CAPER FOCUS seized a significant portion of that cocaine. The Coast Guard also deploys Law Enforcement Detachments (LEDETs) aboard ships of the U.S. Navy and international partners in the Caribbean and Eastern Pacific.
- COAST GUARD – MEXICO ENGAGEMENT STRATEGY: The US/Mexico Bilateral Group for Analysis and Information Exchange on Interdiction (BGAIEI) is sponsored by the High Level Contact Group (HLCG) and grew from the bilateral cooperation experienced during maritime interdictions in 1999. The BGAIEI has proven to be a tremendous asset in U.S. efforts to enhance counterdrug cooperation with Mexico. It has facilitated initiatives such as the US/MEX Communications Plan for use in law enforcement interdiction operations and the Post Seizure Analysis Training/Exercise with the MEXNAV and the Special Prosecutor for Crimes Against Health (FEADS). In FY 2000, the Coast Guard was

encouraged by Mexico's cooperation in the counterdrug mission, which was instrumental throughout the year in seizing over 30,000 pounds of cocaine.

- FRONTIER SHIELD: STEEL WEB funding was primarily dedicated to institutionalizing Operation FRONTIER SHIELD, the anchor of the Coast Guard's strategy, to permanently deter and disrupt maritime drug smuggling into Puerto Rico and the U.S. Virgin Islands. In FY 2000, Operation FRONTIER SHIELD forces, including interagency and international participants, seized 6,107 pounds of illicit drugs, 6 vessels and arrested 18 suspects.
- BORDER SHIELD/GULF SHIELD: The Coast Guard continued Operations BORDER SHIELD and GULF SHIELD off the coast of Southern California and in the Gulf of Mexico. These smaller scale operations were conducted to anchor the maritime flanks of the Southwest Border as security efforts ashore were increased. Operation BORDER SHIELD protects the coastal borders of Southern California from maritime drug smuggling in support of ONDCP's Southwest Border Initiative. The two areas of primary concern are the Baja Peninsula (offshore component), where Coast Guard air and surface patrol assets operate, and the U.S./Mexico border area (inshore component) in which coordinated, real time end-game interdiction is conducted with multi-agency forces. This operation logically extends land border efforts into the surrounding maritime region. The Eleventh Coast Guard District Commander continues to coordinate operational issues with Mexican officials and is expanding opportunities for partnering by exchanging tactical information and developing coincidental operations. During FY 2000, BORDER SHIELD/GULF SHIELD forces seized 2,270 pounds of drugs, 5 vessels and arrested 4 suspects.
- The Coast Guard also focused on the proliferation of noncommercial smuggling via small go-fast boats in the Florida Straits and Old Bahama Channel. The rapid response capability of the multi-agency Operation Bahamas Turks and Caicos (OPBAT) assets is required to offset the pace of an emergent and unpredictable go-fast threat in the region. OPBAT forces seized 2,649 pounds of illegal drugs, 6 vessels and arrested 13 suspects during FY 2000.

New Capabilities

- The Coast Guard is acquiring new equipment and developing new capabilities to enhance the surface end-game system required to effectively address the go-fast threat. Examples of Coast Guard initiatives include:
- OPERATION NEW FRONTIER: A significant policy change has allowed the use-of-force from aircraft, including warning shots and disabling fire, to compel compliance with an order to stop. The limited scope deployments in 1999 and early 2000 of specially configured helicopters and trained crews and specially outfitted cutter small boats resulted in six successful interdictions (in six opportunities) that yielded 3,014 pounds of cocaine and 11,710 pounds of marijuana. Based on the resounding success of the first deployments of these assets, the Coast Guard will lease eight new helicopters, procure additional Over-the-Horizon Cutter Boats, and convert cutter flight decks to night vision goggle (NVG) capable platforms.

- CARIBBEAN SUPPORT TENDER: USCGC GENTIAN was commissioned as Caribbean Support Tender (CST) in September 1999. The CST is a multinational platform that operates in support of the Coast Guard's counterdrug strategy and Southern Command's Theatre Engagement Plan (TEP). The cutter consolidates USCG/DOD/DOS programs to deliver a total support package for the navies, coast guards, and maritime police of our neighbors in the Caribbean basin and Latin America. Nations that have signed Memorandums of Agreement (MOAs) to place crewmembers in GENTIAN include the Bahamas, Dominican Republic, Guyana, Panama, Suriname, and Trinidad and Tobago. In FY 2000, the CST completed four deployments, trained over 500 students from 11 countries, and completed 22 port visits. The training and technical assistance provided by the CST serves to improve the law enforcement capability of the participating nations.

International Maritime Interdiction Support (IMIS)

- As the recently signed bilateral Maritime Agreement with Costa Rica contained logistics port call provisions, Costa Rica was the obvious choice to initiate an IMIS agreement. The Coast Guard worked with both the Costa Rica desk at the Department of State and with the American Embassy country team in San Jose, Costa Rica. The result of these efforts was a set of coordinated U.S. Coast Guard/Costa Rican Coast Guard operating guidelines as an IMIS implementation vehicle. Final Interagency and GOCR concurrence for these guidelines was obtained May 12, 2000. IMIS Costa Rica became operational July 1, 2000.
- This landmark arrangement will be the regional model for future IMIS negotiations. The Coast Guard will continue to work with the interagency and international partners to establish IMIS agreements throughout Central America and to develop a funding mechanism to reimburse cooperative states for IMIS costs.

FEDERAL AVIATION ADMINISTRATION

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$7.100	\$7.000	\$7.300
Goal 3	10.000	\$10.200	\$10.700
Goal 4	<u>6.800</u>	<u>7.300</u>	<u>7.500</u>
Total	\$23.900	\$24.500	\$25.500
Drug Resources by Function			
Interdiction	\$6.900	\$7.000	\$7.300
Investigation	6.800	7.100	7.300
Prevention	8.900	9.100	9.500
Intelligence	0.200	0.200	0.200
Prevention Research	<u>1.100</u>	<u>1.100</u>	<u>1.200</u>
Total	\$23.900	\$24.500	\$25.500
Drug Resources by Decision Unit			
Operations	\$22.800	\$23.400	\$24.300
Research, Engineering and Development	<u>1.100</u>	<u>1.100</u>	<u>1.200</u>
Total	\$23.900	\$24.500	\$25.500
Drug Resources Personnel Summary			
Total FTEs (direct only)	182	185	193
Information			
Total Agency Budget	\$10,948.0	\$11,977.0	\$12,957.0
Drug Percentage	0.2%	0.2%	0.2%

II. METHODOLOGY

- The drug budget is based on the number of workyears dedicated to drug-related activities resulting from Federal Aviation Administration (FAA) action.

III. PROGRAM SUMMARY

- The FAA was created by the Federal Aviation Act of 1958, as amended. It controls the use of navigable airspace, develops and operates a common system of air traffic control and navigation for civil and military aircraft, regulates air commerce, and coordinates research and development that pertains to air navigation facilities.
- The FAA assists in identifying airborne drug smugglers by using radar, posting aircraft lookouts, and tracking the movement of suspect aircraft.

- The Anti-Drug Abuse Act of 1988 mandated that FAA assist law enforcement agencies “in the enforcement of laws relating to the regulation of controlled substances, to the extent consistent with aviation safety.”
- The FAA drug-related programs primarily address the areas of drug prevention, interdiction, investigations, and research.
 - Random Drug Testing: Each year, the FAA conducts pre-employment testing of all applicants for safety/security functions, as well as random drug testing of 25 percent of all employees in safety/security critical positions.
 - Interdiction: These efforts include the development and correlation of flight plans and transponder codes to enhance communications between air route traffic control centers and U.S. Customs/Coast Guard facilities. This enhanced communication also assists in identifying airborne drug smugglers by using radar, posting aircraft lookouts, and tracking the movement of suspect aircraft.
 - Intergovernmental Assistance: FAA has in place a drug interdiction unit to provide assistance to federal, state, and local law enforcement agencies that investigate and interdict drug smuggling by general aviation aircraft.
 - Airmen and Aircraft Registry Program Improvements: This program is aimed at improving the registration process of general aviation aircraft and the certification process of airmen.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 2: Increase the safety of America’s citizens by substantially reducing drug-related crime and violence.

- The Interdiction/Intelligence Program totals \$7.2 million. The principal component of this program is \$7.0 million to support the development and correlation of flight plans and transponder codes to enhance communications between air route traffic control centers and U.S. Customs facilities.

Goal 3: Reduce health and social costs to the public of illegal drug use.

- The total drug control funding for Goal 3 activities for FY 2001 is \$10.2 million. The following activities support Goal 3 of the *National Drug Control Strategy*:

- The Prevention Program is comprised of the following key components:
 - In FY 2001, \$4.1 million was provided for random drug testing of approximately 25 percent of employees who are designated to be in safety/security-critical positions.
 - In FY 2001, \$5.0 million was provided to support FAA regulatory oversight of the anti-drug and alcohol misuse prevention programs administered by approximately 5,000 aviation industry entities and individual commercial operators.
- Research, Engineering, and Development:
 - In FY 2001, \$1.1 million was provided to support the analysis of post-mortem tissues and fluids from transportation accidents/incidents and assess the effects of drugs on the performance of pilot and controller tasks.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- In FY 2001, \$5.4 million was provided to support investigations in the Registry program, as well as improved registration of aircraft and certification of airmen.
- In FY 2001, \$1.9 million will support FAA's Drug Investigation Support Units.

FY 2002 Significant Program Changes

- The FY 2002 request of \$25.5 million reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- The FAA continues to support the Administration's counterdrug efforts in drug prevention, interdiction, intelligence and research.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$30.150	\$30.450	\$31.900
Drug Resources by Function			
Prevention	\$30.000	\$30.200	\$31.500
Prevention Research	<u>0.150</u>	<u>0.250</u>	<u>0.400</u>
Total	\$30.150	\$30.450	\$31.900
Drug Resources by Decision Unit			
Highway Safety Programs:			
Youth Alcohol	\$1.100	\$1.100	\$1.300
Drug Evaluation and Classification	0.500	0.500	1.400
Drugs, Driving and Youth	1.100	1.200	1.200
Highway Safety Research - Youth Alcohol	0.100	0.100	0.150
Highway Safety Research - Drugs	0.050	0.150	0.250
Section 402 State and Community	20.900	21.000	21.200
Formula Grants			
Section 410 Alcohol Incentive Grants	<u>6.400</u>	<u>6.400</u>	<u>6.400</u>
Total	\$30.150	\$30.450	\$31.900
Drug Resources Personnel Summary			
Total FTEs (direct only)	5	5	5
Information			
Total Agency Budget	\$361.0	\$367.0	\$499.0
Drug Percentage	8.4%	8.3%	6.4%

II. METHODOLOGY

- Operations and Research (O&R) Account: Drug control numbers are derived from specific budget line items that fund drug and youth alcohol-related activities.
- Highway Traffic Safety Grant Account: Drug control numbers are estimated from trends in expenditures in youth alcohol programs and by applying varying percentages to components of the grant program funding.

III. PROGRAM SUMMARY

- The National Highway Traffic Safety Administration (NHTSA) funds programs that address the problems of drug and drugged driving and prevention programs targeting zero tolerance for alcohol and drug use among youth. The agency's drug control programs are listed below by the *National Drug Control Strategy* Goal they support.

Goal 1: Educate and enable America's youth to reject illegal drug as well as alcohol and tobacco.

- **Drugs, Driving and Youth:** This effort is directed at reducing drugged driving and drug use by youth (under 21 years old). NHTSA is supporting efforts to strengthen the Driving Under the Influence of Drugs (DUID) system. In particular, NHTSA supports stronger laws, more consistency in enforcement, prosecution, adjudication, prevention, education, publicity, drug testing, and treatment for drug use.
- **Youth Alcohol:** NHTSA will continue to emphasize programs for youth. While drinking and driving has decreased even faster for youth than for adults, drivers under 21 are still over-involved in alcohol-related crashes. Extensive evidence demonstrates that both alcohol sale and drinking while driving laws are not well enforced for youth. The agency will continue to assist states and communities in developing zero tolerance laws. Specifically, the agency will continue to assist states in training traffic enforcement officers on drinking laws pertaining to youth. Enforcement demonstration projects will also highlight effective law enforcement strategies and programs. Work with youth advocacy groups (e.g., Students Against Drunk Driving and Mothers Against Drunk Driving) will provide opportunities to educate youth leaders on underage drinking and driving. NHTSA will undertake a new demonstration program targeting youth who often fail to use seat belts, frequently exceed the speed limit and see no harm in driving while impaired by drugs or alcohol.
- **Drug Evaluation and Classification (DEC):** The DEC is incorporated into NHTSA's overall impaired driving program. The central purpose of this program is to assist states with drugged driving programs and to provide DEC technical assistance to law enforcement agencies through the International Association of Chiefs of Police. The main goal of DEC is to increase the number of participating states to maintain a national prevention infrastructure. In addition, new initiatives will enhance the number of law enforcement officers trained in the standardized field sobriety testing; expand drug information and training for prosecutors and judges; and promote uniform sanctions for drug offenses.
- **Highway Safety Research:** This program provides funding for research on youth alcohol-impaired and drug-impaired driving. The primary focus of the alcohol and drug research program is to identify the scope and nature of the impaired driving problem, identify specific target groups and to develop associated countermeasure programs aimed at these target populations. Research is also conducted to improve methods for police enforcement of youth alcohol-impaired driving and drugged driving laws.
- **Highway Traffic Safety Grants:** State and local governments are NHTSA's key partners in working toward the agency's goal to reduce deaths, injuries, and economic losses resulting from motor vehicle crashes. Federal aid to states and communities is available to assist this effort. The Transportation Equity act for the 21st Century reauthorized both the Section 402 State and Community Highway Safety Grant Program and the Section 410 Alcohol Incentive Grant Program and provided funds to states to prevent impaired driving (alcohol and drugs) through education, public information, and enforcement. Elements of this program directed toward youth populations support Goal 1 of the *National Drug Control Strategy*.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

	(\$ in millions)
Youth Alcohol	\$1.100
Drug Evaluation and Classification	0.500
Drugs, Driving and Youth	1.200
Highway Safety Research (Youth Alcohol)	0.100
Highway Safety Research (Drugs)	0.150
Section 402 State and Community Formula Grants	21.000
Section 410 Alcohol Incentive Grants	<u>6.400</u>
Total	\$30.450

FY 2002 Significant Program Changes

- The FY 2002 request totals \$31.9 million and reflects increases on \$1.5 million to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- Updated Standardized Field Sobriety Test (SFST) program curriculum, a foundational element of the Drug Evaluation and Classification (DEC) program, to include the most current procedural and case law information available. A new SFST refresher training program is being developed on CD-ROM.
- Completed a Law Enforcement Executives Summit on Drugs, Driving, and Youth on February 24, 2000. The summit participants discussed strategies to increase involvement of law enforcement administrators in the youth drug issue.

BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 1	\$8.400	\$8.960	\$8.960
Goal 2	<u>243.600</u>	<u>342.790</u>	<u>359.651</u>
Total	\$252.000	\$351.750	\$368.611
Drug Resources by Function			
Prevention	\$8.400	\$8.960	\$8.960
Investigations	<u>243.600</u>	<u>342.790</u>	<u>359.651</u>
Total	\$252.000	\$351.750	\$368.611
Drug Resources by Decision Unit			
Reduce Violent Crime	\$252.000	\$351.750	\$368.611
Drug Resources Personnel Summary			
Total FTEs (direct only)	1,691	2,139	2,329
Information			
Total Agency Budget	\$604.6	\$771.1	\$803.5
Drug Percentage	41.7%	45.6%	45.9%

II. METHODOLOGY

- The Bureau of Alcohol, Tobacco and Firearms (ATF) estimate of drug-related costs is based upon the full-time equivalents (FTE) expended on investigations that result in drug charges being filed against defendants. Based on historical case statistics, ATF has devoted approximately 56 percent of the FTE achieved and obligations incurred under its Reduce Violent Crime (RVC) Activity for drug investigations or community outreach-oriented prevention projects. The Bureau divided the number of defendants arraigned under U.S.C. 18 section 924(c) provisions and/or a narcotics crime by the total of all defendants charged in a year to derive a ratio. This ratio is used to pro-rate the share of total ATF budgetary resources, including both requested appropriations and anticipated reimbursable authority, applicable to support anti-drug programs. ATF validates this methodology whenever significant changes are suspected. ATF intends to revalidate its methodology this coming year. The RVC major budget activity encompasses approximately 79 percent of the FY 2001 Enacted Budget and the same percentage of direct budget authority proposed in the Bureau's FY 2002 budget submission.

III. PROGRAM SUMMARY

- ATF was established in 1972 to consolidate statutory responsibility for revenue collection, regulatory oversight, and criminal enforcement involving alcohol and tobacco commodities, as well as firearms and explosives. The established link between gun-related violence and

drug trafficking has justified a significant investment of ATF staff time and financial resources in counter-narcotics activities.

- The Bureau accomplishes its multi-faceted mission primarily through inspections and investigative cases managed by ATF personnel dispersed across the country. ATF's workforce is deployed at 23 field divisions, forensic science laboratories and the National Tracing Center. Additionally, ATF personnel located at Headquarters provide legal, financial, acquisition, training, and information technology support to field operation units involved with drug-related investigations or prevention projects.
- Goals 1 and 2 of the *National Drug Control Strategy* are addressed by ATF programs that:
 - Detect and prevent the distribution of firearms into illegal channels and into the possession of prohibited persons;
 - Investigate arson and explosives-related incidents having a significant community impact;
 - Educate and enable America's youth to reject illegal drugs, as well as alcohol and tobacco;
 - Assist state and local law enforcement agencies in reducing crime and violence; and
 - Reduce illegal trafficking, possession and use of firearms, destructive devices, and explosives.
- Current drug control funding priorities identify several areas that ATF has been involved with for many years.
 - The Bureau's Gang Resistance, Education and Training (G.R.E.A.T.) Program is highly successful in its method of delivering an anti-violence and anti-gang message to children throughout the country. G.R.E.A.T. contributes to prevention goals, given that many youth gangs serve as a social forum for the use or trafficking in drugs and illegal firearms.
 - ATF law enforcement programs, such as the Achilles Program, International Trafficking in Firearms, the Youth Crime Gun Interdiction Initiative (YCGII) and the Integrated Violence Reduction Strategy (IVRS), are aimed at reducing crime and violence, much of it drug-related.
 - Additionally, all ATF programs are developed with the requirement to be flexible and respond to new criminal strategies and complex investigations.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 1: Educate and enable America's youth to reject illegal drugs as well as the use of alcohol and tobacco.

- The G.R.E.A.T. Program is a national program of recognized success in bringing an anti-violence, anti-drug message to the nation's youth. In FY 2001, the ATF-administered program received \$9.0 million in funding.

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- A preponderance of ATF's responsibility within the drug control program lies in its law enforcement functions in support of Goal 2 of the *Strategy*. For FY 2001, \$342.8 million has been identified within appropriations to support these activities.
- The Bureau's drug-related functions supporting Goal 2 of the *Strategy* are as follows:
 - Youth Crime Gun Interdiction Initiative (YCGII). The YCGII is an enforcement component of ATF's national gun violence reduction effort. The YCGII program: Reduces youth firearms violence and illegal firearms trafficking to unauthorized juveniles, gang offenders and youth; makes ATF's firearms trace capabilities and information more accessible to state and local law enforcement agencies to increase law enforcement's ability to trace recovered crime guns and use the resulting data to arrest illegal traffickers and to develop local violence reduction strategies; and coordinates state and local law enforcement efforts with ATF's efforts for a comprehensive approach to combating illegal firearms trafficking and illegal possession and use of firearms by juveniles and youth.
 - Integrated Violence Reduction Strategy. As part of a comprehensive effort that will integrate ATF enforcement of firearm laws, the Integrated Violence Reduction Strategy is aimed at reducing the illegal acquisition, carrying, and use of firearms. Through this initiative, ATF will strive to maintain the integrity of commerce in firearms; ensure integrity and vigorous follow-up investigative activities associated with the National Instant Criminal Background Check System; and interdict the flow of guns to prohibited persons who are actively attempting to acquire a firearm and are thwarted in the legal process.
 - Integrated Ballistics Identification. This initiative funds more extensive use of the Integrated Ballistics Identification System (IBIS) now used to compare images of ballistic evidence (projectiles and cartridge casings) obtained from crime scenes and recovered firearms. The system generates and maintains large ballistic image databases. As new images of evidence or test-fires of seized firearms are added to the database, the system searches the database for matching images. The ATF National Integrated Ballistic Information Network (NIBIN) Program generates intelligence linking crimes

and crime guns that can be traced by the National Tracing Center to identify violators. Additionally, the NIBIN Program provides intelligence information, which assists investigators in identifying and addressing illegal firearms trafficking trends and patterns. This unique program is a vital component of the ATF national strategy to assist its law enforcement counterparts in reducing firearm-related violence.

- Comprehensive Gun Tracing. This initiative supports federal, state, and local gun crime enforcement by establishing nationwide crime gun tracing capabilities, focusing first on the cities where the maximum numbers of crime guns and bullet casings are recovered. Resources requested for this initiative will yield the following results: nationwide comprehensive tracing capability for state and local law enforcement; faster trace results; and preliminary funding to begin imaging out of business records.

FY 2002 Significant Program Changes

- The FY 2002 request includes a total of \$368.6 million and 2,329 FTE for the ATF related to drug control efforts, an increase of \$16.8 million and 190 FTE over the FY 2001 level. The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- **Multi-Region.** While working jointly with the Drug Enforcement Administration and the U.S. Attorney's office for the Southern Judicial District of Florida, undercover agents engaged in an extremely sensitive investigation involving a commercial airline's employees alleged to be bypassing security at Miami International Airport in South Florida. As a result of this investigation, ATF agents were able to infiltrate an active drug trafficking organization operating worldwide and expose major security flaws at Miami International Airport.
- **Southern Region.** An investigation was initiated in the Eastern Judicial District of Louisiana after IBIS matched shell casings from four separate shooting/homicide incidents. This led to the discovery that the Seventh Ward Soldiers, a violent street gang, were connected to 22 murders and 12 additional shooting incidents. The investigation resulted in the federal prosecution (coupled with state murder/attempted murder charges) of 14 defendants for conspiracy, sale and distribution of narcotics, felon in possession of firearms, and using a firearm during the commission of a violent crime. All defendants were found guilty at trial or pled guilty and received sentences ranging from 7 years to life plus 10 years. This investigation was honored at the Organized Crime Drug Enforcement Task Force (OCDETF) National Conference in Washington, DC.
- **Southwest Region.** In the investigation of Oestes Pistoleros in San Antonio, Texas, ATF and other assisting agencies executed ten state and federal search warrants resulting in the seizure of nine pounds of cocaine and crack cocaine, 1.8 ounces of heroin, 47 pounds of marijuana, \$31,000 in U.S. currency, and 43 firearms.

- West Central Region. In another investigation, members of the 19th Street Long Beach Crips, a street gang known for their armed and violent narcotics trafficking, were targeted for prosecution. The investigation revealed that the members were travelling to Los Angeles, California, where they obtained cocaine from members of the main chapter of the 19th Street Long Beach Crips. Lower level members of the gang then distributed the narcotics in Saint Louis, Missouri.
- Florida/Caribbean Region. In August 1999, ATF agents were able to infiltrate a group of individuals who were committing armed robberies of narcotics traffickers in the Miami-Dade county areas. The organization was also involved in armed drug trafficking, police impersonation, and armed home invasions throughout South Florida. The investigation led to the establishment of a connection between this group and the International Posse. As a result of numerous meeting, the agents were able to lure four heavily armed individuals to a pre-selected arrest location where they were taken into custody without incident.
- Mid-Atlantic Region. The narcotics organization run by Antonio Howell (“The Nickel Boys”) and the narcotics organization run by Marshawn Stokes, were violent criminal enterprises in Baltimore, Maryland. The Stokes narcotics organization initiated a territorial dispute with the Howell narcotics organization that escalated from verbal confrontations to murders. Nineteen defendants from these organizations were arrested. As a result of the diligent investigative work demonstrated in two high profile federal trials, several defendants have been sentenced to life without parole in federal prison. All the other defendants have been sentenced to lengthy periods of federal incarceration.
- New York/New Jersey Region. ATF led a seven-month investigation into Thomas O’Brien and his associates who trafficked methamphetamine and unlawfully possessed firearms in the central New York area. O’Brien is affiliated with the Hells Angels Motorcycle Club. Ten kilograms of methamphetamine were acquired from sources in Albuquerque, New Mexico and Long Beach, California via U.S. Express Mail over a two-year period. Defendants also possessed firearms in relation to the drug trafficking activities and possessed firearms as unlawful users of controlled substances. ATF-obtained, federal search warrants were served on O’Brien’s residence and other associates’ residences. In total, ten defendants in New York, California, and New Mexico were convicted on narcotics and firearms charges.

U.S. CUSTOMS SERVICE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$48.200	\$49.113	\$51.123
Goal 4	457.800	513.366	555.430
Goal 5	<u>158.000</u>	<u>159.116</u>	<u>165.559</u>
Total	\$664.000	\$721.595	\$772.112
Drug Resources by Function			
Intelligence	\$20.400	\$20.961	\$21.879
Interdiction	436.100	487.547	528.044
Investigations	206.100	208.225	217.296
Research & Development	<u>1.400</u>	<u>4.862</u>	<u>4.893</u>
Total	\$664.000	\$721.595	\$772.112
Drug Resources by Decision Unit			
Salaries and Expenses	\$499.700	\$588.672	\$627.107
Operations and Maintenance	103.300	132.923	145.005
Violent Crime Reduction Trust Fund	<u>61.000</u>	<u>---</u>	<u>---</u>
Total	\$664.000	\$721.595	\$772.112
Drug Resources Personnel Summary			
Total FTEs (direct only)	6,679	6,675	6,831
Information			
Total Agency Budget	\$1,866.8	\$2,276.3	\$2,385.2
Drug Percentage	35.6%	31.7%	32.4%

II. METHODOLOGY

- Four organizations within Customs have been able to specifically identify resources in their financial plans that support the drug enforcement mission of the agency.

Office of Investigations

- The Office of Investigations can be broken down into two basic resource components, those that support the Air and Marine Interdiction function and those that support the remaining investigative function. The Office of Investigations identifies and tracks the hours that its agents spend on a wide variety of cases, including narcotics smuggling and money laundering cases related to narcotics smuggling.
- Based on the relationship between total investigative hours spent and those spent on narcotics and money laundering cases, subject matter experts have concluded that 65.72 percent of investigative resources are dedicated to the Customs drug enforcement mission and support the goals of the *National Drug Control Strategy*. Of this amount, 11.2 percent supports Goal 2, 54.6 percent supports, Goal 4, and 34.2 percent supports, Goal 5 of the *Strategy*.

- Investigative resources supporting Goals 2 and 4 are broken down further into a 25/75-percentage split for the interdiction and investigative functions respectively. Goal 5 totally supports the investigative function.
- Resources that support the Air and Marine Interdiction program are considered to be 95 percent drug-related. This amount totally supports Goal 4 of the *Strategy* and the interdiction function.

Office of Field Operations

- The Office of Field Operations has identified 1,779 Inspector positions that are specifically identified with drug enforcement because they are either Contraband Enforcement Team (CET) Inspectors, Outbound Enforcement/ Currency Team Inspectors, Currency Canine Enforcement (CEO) Officers, on Narcotics CEOs. The salaries of these positions are assumed to be \$55,000 per annum and to contribute 100 percent of their time to drug enforcement.
- There are approximately 6,200 other Customs Inspectors that, in addition to the interdiction of contraband and illegal drugs, also enforce the 400 laws and regulations of many other federal government agencies such as the Animal, Plant and Health Inspection Service (APHIS), the U.S. Fish and Wildlife Service, the Bureau of Alcohol, Tobacco, and Firearms (ATF), and the Bureau of Export Administration.
- Currently, the U.S. Customs Service does not have a certifiable methodology to determine what portion of these Inspectors' time is attributable to drug enforcement. The U.S. Customs is working to develop this methodology in calendar year 2001. For the purpose of the FY 2002 budget presentation in this document, it is assumed that 41 percent of the time these Inspectors spend on the job is related to drug enforcement.
- Total drug resources for Field Operations support Goal 4 of the *Strategy* and are further broken down into a 10/90-percentage split between the Intelligence and Interdiction functions.

Office of Information Technology

- The Office of Information Technology supports the drug enforcement mission through the research, development, acquisition, and support and maintenance of technology, such as non-intrusive inspection systems, through its Applied Technology Division (ATD).
- In FY 2001, 90 percent of base resources, 95 percent of research and development resources, 94 percent of acquisition resources, and 85 percent of support and maintenance resources are dedicated to drug enforcement and support Goal 4 of the *Strategy*.
- In FY 2001, ATD identified \$4.9 million in resources supporting the research and development function. Nearly 90 percent of this funding supports the Customs interdiction mission.

Office of Training

- The Office of Training identified specific resources falling under its purview and applied the following percentages depending on the program supported:

Passenger Processing	41
Cargo Examination	13
Canine Enforcement	100
Financial Investigations	60
Illegal Export Investigations	5
Interdiction Investigations	100
Firearms	100

III. PROGRAM SUMMARY

Customs Authorities/Investigative and Interdiction Operations

- Titles 18 U.S.C. and 19 U.S.C. authorize the Customs Service to regulate the movement of carriers, persons, and commodities between the U.S. and other nations. It is through this statutory authority that Customs plays a key role in the overall anti-drug effort at the border.
- In addition, Customs has a broad grant of authority to investigate international financial crime and money laundering. Customs jurisdiction is triggered by the illegal movement of criminal funds, services, or merchandise across our national borders and is applied pursuant to the authority of the Bank Secrecy Act, Money Laundering Control Act, and other customs laws.
- Customs has its greatest impact on three goals of the *Strategy*: Customs supports Goal 2, "Increase the safety of America's citizens by substantially reducing drug-related crime and violence," Goal 4, "Shield America's air, land, and sea frontiers from the drug threat," and Goal 5, "Break foreign and domestic drug sources of supply."
- Customs has implemented aggressive border enforcement strategies that are designed to interdict (Goal 4), investigate (Goal 2, Goal 5), and disrupt the flow of narcotics and ill-gotten gains across our Nation's borders and dismantle the related smuggling organizations (Goal 5). Customs achieves these objectives by maintaining: an aggressive air, land, and marine interdiction force; a cadre of approximately 1,475 Title 21 cross designated Special Agents, and; a multi-disciplined money laundering control program to investigate financial crimes.
- Customs employs automated targeting and manifest systems, sophisticated hand-held tools, high technology non-intrusive inspection systems, specifically configured interdiction aircraft and vessels, and detector dogs. These assets enable Customs to successfully target, identify, and apprehend the willful violator, while efficiently processing the flow of law abiding international passengers and compliant cargo entering and exiting the United States.

- Customs investigative efforts focus on the most significant international drug smuggling organizations whose corrupt influence often impacts global trade and economics, financial systems, and public health and safety.
- Customs investigative approach, which targets the “command and control” structure of a drug smuggling organization in order to disrupt its transportation cells, uses techniques such as surveillance, electronic wire intercepts, controlled deliveries, undercover operations, and money pick-ups. In addition, Customs pursues legislative initiatives and offers training designed to facilitate the work of foreign investigative counterparts.
- Customs narcotics interdiction strategies are designed to be flexible so that they can successfully counter the constantly shifting narcotics threat and disrupt the flow of drugs at--and between--the ports of entry, as well as in the source and transit zones. In addition to interdiction efforts at our borders, Customs has developed a number of industry partnership programs to intercept narcotics prior to export from the country of origin. These programs include the Carrier Initiative Program (air, truck, rail, and sea carriers); the Business Anti-Smuggling Coalition (importers, exporters, brokers, forwarders); and the Americas Counter Smuggling Initiative (involving exporters and governments in seven Central and South American countries).
- To assist in the interdiction of smugglers and contraband entering the arrival zone of the United States, Customs personnel skilled in the operation of a fleet of aircraft and marine vessels, outfitted with sophisticated radar, patrol the coastal waters and airspace of the arrival zone. Customs interdiction aircraft also patrol the transit and source zones with the objective of detecting and apprehending suspect drug trafficking aircraft and vessels. The Operations and Maintenance Appropriation funds all of the non-personnel costs associated with the interdiction activities of the Customs Air and Marine Programs, whereas the Salaries and Expenses Appropriation funds all of the personnel costs of the Air and Marine Programs.
- Customs has implemented aggressive border enforcement strategies that are designed to interdict (Goal 4) and disrupt the flow of narcotics proceeds. Customs achieves these objectives by maintaining an aggressive force of Inspectors, canine teams, equipment, and facilities to interdict narcotics currency proceeds. The success of these efforts affects the costs that the drug smugglers absorb in getting their narcotics to market, and ultimately, their profit margins.
- Customs has reassigned Inspectors to establish dedicated outbound teams at a number of airports, seaports and land border locations. These outbound teams perform intensive and frequent outbound examinations targeting narcotic currency proceeds.

Customs Air/Marine Program

- The mission of the Customs Air and Marine Interdiction Division (AMID) is to protect the Nation's borders and the American people from the smuggling of narcotics and other contraband with an integrated and coordinated air and marine interdiction force. To accomplish that mission, AMID interdiction assets are deployed throughout the source, transit, and arrival zones. The Air and Marine Interdiction Coordination Center (AMICC) in

Riverside, California, provides command, control, communications, and intelligence for those assets by assimilating information from a wide array of sensors. The AMICC also integrates information systems with other domestic and international counterdrug centers and law enforcement agencies and serves as a focal point for tactical coordination between agencies.

- AMID interdiction efforts focus on denying drug traffickers the option of using aircraft and vessels for transporting drugs into the United States and force drug smuggling organizations into other modes of transportation or geographic locations that are less profitable or incur greater risk. The AMID also provides assistance to the enforcement efforts of Customs, and other federal, state, and local law enforcement agencies to stop the flow of money and equipment back to those drug smuggling organizations.
- In the arrival zone, Air and Marine Branches and Units are strategically located along the southern border of the United States and in Puerto Rico and the Virgin Islands. The primary focus of these Branches is to detect, sort, and intercept suspect air and marine targets. AMID also has an extensive array of Air Units located in major metropolitan areas throughout the United States. These Units support the enforcement efforts of the Customs Service and other federal agencies with light enforcement helicopters and single-engine airplanes.
- In the source and transit zones, AMID air and marine crews work in conjunction with the law enforcement agencies and military forces of other nations in support of their counter-narcotic programs. The AMID provides detection and monitoring, interceptor support, and coordinated training with military and law enforcement personnel of other countries. Customs detection and monitoring (D&M) and tracker aircraft are deployed to foreign operating locations to support regional interdiction efforts by providing aerial radar coverage for areas not covered by ground-based radar. They also patrol the international waters of the transit zone to monitor shipping lanes and air routes in search of smuggling activities.
- AMID aviation assets include jet interceptors and long-range trackers equipped with radar and infrared detection sensors, high performance helicopters, single- and multi-engine support aircraft, sensor-equipped marine search, and air-to-air detection platforms. AMID maritime assets encompass interceptors, fast utility, and blue water-type vessels that are equipped with sophisticated marine radar systems, radios, and other marine electronic support equipment that are designed to detect and help Customs apprehend smugglers who utilize private vessels for smuggling. Integrated air and marine interdiction operations now occur primarily in the arrival zone. With smugglers changing their patterns of behavior, AMID will remain flexible to meet the smugglers' threat.

Intelligence Program

- The Intelligence Program provides support to Customs investigative, inspectional, air, and marine components in disrupting the flow of drugs by collection and analysis of all source information and disseminating intelligence to the appropriate component. Also, the program provides strategic intelligence estimates to executive management for purposes of planning and resource allocation.

Southern Tier Operations/Initiatives

- In direct support of the U.S. Customs Service Southwest Border drug interdiction initiative, an intelligence-driven operations plan was designed by the Intelligence Division of Customs to be responsive to the intelligence needs of field offices. The plan is based on the concept of locating Intelligence Collection and Analysis Teams (ICATs) at selected sites along the Southwest Border. The ICATs function as a U.S. Customs multidiscipline team working as an anti-smuggling element focusing on Customs specific intelligence needs.
- The ICAT concept provides for a centralized field mechanism for the collection, analysis, exploitation, and dissemination of actionable intelligence. The ICATs are comprised of Special Agents, Inspectors, and Intelligence Analysts. In some locations, State and local police departments have assigned officers to work with Customs in the ICAT, and in most locations there is daily contact and coordination with other federal law enforcement agencies. The teams maximize the full potential of intelligence sources available to Customs and focus on the field development of intelligence through informants, document exploitation, and surveillance. The ICATs coordinate all intelligence reporting with the Intelligence Division, located at Customs Headquarters.
- In August 1999, Customs and the Drug Enforcement Administration signed a Memorandum of Understanding (MOU) pursuant to a recommendation in the "General Counter-drug Intelligence Plan." The MOU provides for Customs drug intelligence teams to be deployed to selected drug source and transit countries under the auspices of the DEA Country Attachés. The teams will proactively gather drug intelligence in support of the Customs counterdrug interdiction mission. Temporary duty teams have already been deployed to Mexico (twice), Ecuador, the Netherlands, and Thailand to assess the local conditions.
- The ICAT program has significantly increased the volume and quality of intelligence information related to Southwest Border smuggling. Customs has expanded this program to include locations throughout the United States and Puerto Rico.

Money Laundering

- Customs financial investigations target the systems used by international criminal organizations to launder the proceeds of their crime. Customs has implemented an aggressive strategy to combat money laundering which combines interdiction efforts, undercover investigations, and regulatory interventions that target those systems.
- Customs has taken the lead in the attack on the Black Market Peso Exchange (BMPE), the largest continuing money laundering system in the Western Hemisphere. Customs also has established the Money Laundering Coordination Center (MLCC), which coordinates the intelligence generated from investigations targeting the BMPE.
- Customs continues to implement its currency interdiction strategy. This strategy includes national operations targeting bulk currency shipments of illicit proceeds being illegally exported from the U.S. Inspectors utilize automated targeting systems, high-tech equipment and intelligence to target high-risk outbound shipments.

Technology

- Customs is continuing to acquire and deploy additional fixed, mobile, and re-locatable x-ray and gamma ray imaging systems for use at high-risk land, sea, and airports of entry through the implementation of its 5-Year Technology Acquisition Plan for the southern tier. The successful development of these systems was accomplished through a strategic alliance between Customs and the Department of Defense Counter-drug Technology Development Program. Customs is also developing an on-line data collection system to collect and distribute examination and maintenance data. These data will be used to develop performance measures to enable Customs to quantify the improvements to its operations as a result of the technology investments.

Participation in Interagency Task Forces

- The task force methodology in law enforcement has proven to be an effective tactic in dismantling criminal organizations. Customs has actively supported task forces and High Intensity Drug Trafficking Area (HIDTA) operations in the past and will continue to do so in the future. Customs also coordinates all GATEWAY activities through the Caribbean HIDTA as well as serves on the Executive Council for that HIDTA. Customs initiated OPERATION GATEWAY in April 1996 as a complement to its OPERATION HARDLINE at Southwestern Border Port of Entry, which at the time was believed to have diverted some of the narcotics trafficking to the Caribbean region and Puerto Rico. At the urban HDTAs, Customs personnel actively support and staff the local law enforcement task forces and programs developed by the HDTAs aimed at dismantling narcotic trafficking and distribution organizations.
- Customs participates in and actively supports the Organized Crime Drug Enforcement Task Forces (OCDETF). There are nine Customs OCDETF Coordinators sitting on each of OCDETF's Regional Advisory Boards who actively interact with other federal law enforcement agencies, as well as Chiefs of Police and State Attorneys. Customs dedicates resources to participate in highly complex OCDETF investigations targeting major drug smuggling organizations.
- Customs also plays a major role in Operation Alliance, which was established in the summer of 1986 to facilitate and improve the coordination of law enforcement operations along the Southwest Border of the United States. Alliance is chartered to facilitate the implementation of national drug control policy, develop regional strategies, and administer the HIDTA program for the Southwest Border. Headquartered in El Paso, Texas, Alliance has a full-time staff and currently has some 26-member agencies, which include Federal, state, and local organizations.
- Customs additionally supports and actively participates in a number of Intelligence Community interagency working groups that are designed to focus the coordination of enforcement efforts on specific major cocaine and heroin "trafficking" organizations. The Intelligence Division of Customs has forged partnerships within the Intelligence Community and Federal law enforcement agencies to become more focused on collection that produces

actionable intelligence that is used to build cases against major drug trafficking organizations.

- Customs is an active participant and partner in the Special Operations Division (SOD), a multi-agency program involving the Drug Enforcement Administration, Federal Bureau of Investigation, Department of Justice, and Customs. The SOD is a coordination and information-sharing mechanism focused on enhancing multi-agency, multi-jurisdiction investigations of major drug smuggling and trafficking organizations.
- Customs actively works with state and local agencies to curb the flow of illicit narcotics proceeds (currency). Customs and state and local agencies have been able to expand outbound currency targeting manpower and increase the inspection capabilities to provide more intensive examinations of passengers and cargo at the airports, seaports, and land borders.
- The High Intensity Drug Trafficking Area Southwest Border Executive Committee and the Border Coordination Initiative have agreed to cooperatively support the expansion of Operation Cobija as a prototype for the integration of State and local law enforcement and Federal border interdiction efforts. Operation Cobija, which began in 1998, was formed to facilitate joint Southwest Border operations of federal, state, and local agencies.
- Customs participates in the Border Coordination Initiative (BCI), which is a comprehensive, coordinated border management strategy between Customs, the Immigration and Naturalization Service, the U.S. Coast Guard, and the Department of Agriculture to increase cooperation among federal agencies on the Southwest Border to more efficiently interdict drugs, illegal aliens, and other contraband.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- The total drug control resources for Customs in FY 2001 that are related to the Goal 2 activity is \$49.1 million and 401 FTE. These resources support Customs drug enforcement efforts in the areas of money laundering investigations and the training of Customs personnel that conduct and support money-laundering investigations. As a general rule, these investigations arise out of currency seizures that Inspectors make at United States Ports of Entry (POEs) and can be related to narcotics investigations of similar origins.

Goal 4: Shield America's air, land, and sea frontiers from the drug threat.

- The total drug control resources for Customs in FY 2001 that are related to the Goal 4 activity is \$513.4 million and 4,572 FTE. These resources support all of Customs drug enforcement efforts in the interdiction of narcotics and illicit gains, including currency and any other asset that drug traffickers use to conceal the true origin of their earnings. The

majority of these seizures are made by Customs Inspectors working at ports of entry and by the Customs Air and Marine Interdiction program.

- The Air and Marine Interdiction program monitors, tracks, and apprehends narcotics traffickers that use small private aviation aircraft and marine vessels to transport narcotics in the source, transit and arrival zones between the United States and its trading partners in the Western Hemisphere.
- These resources also support the growing use of technology, such as non-intrusive inspection equipment to interdict narcotics and currency, as well as the Customs Canine Enforcement Program.

Goal 5: Break foreign and domestic drug sources of supply.

- The total drug control request for Customs in FY 2001 that is related to the Goal 5 activity is \$159.1 million and 1,702 FTE. These resources support narcotics investigations that arise out of Air and Marine Interdiction narcotics seizures outside of the POEs and non-Air and Marine Interdiction narcotics seizures inside the POEs.

FY 2002 Significant Program Changes

- The FY 2002 request includes \$772.1 million and 6,831 FTE for the Customs drug enforcement mission, a net increase of \$50.5 million and 156 FTE from the FY 2001 level.
- In FY 2002, Customs will devote 32.5 percent of its appropriated resources towards its drug enforcement mission, including \$257.8 million for the continued development of ACE and maintenance and operation of the Automated Commercial System (ACS).
- The FY 2002 request includes \$35.0 million in drug-related support of the Western Hemisphere Drug Elimination Act. Specifically, the FY 2002 budget requests funding for:
 - Safety Enhancements (\$5.1 million). Customs aircraft routinely and increasingly operate in airspace without benefit of control tower assistance. Often, this uncontrolled airspace overlies treacherous mountainous terrain, requiring complex and demanding flight procedures. To dramatically increase the margin of safety for Customs aircraft and flight crews, funds will install additional traffic collision avoidance systems, with integrated ground proximity warning systems, into all Customs interdiction aircraft.
 - Maritime Patrol Aircraft (\$20.0 million). This aircraft would patrol the transit and source zones, and safely track a suspect vessel until it is intercepted by a U.S. Coast Guard or Customs vessel. Maritime interdiction is a primary focus of AMID operations because the most recent Interagency Assessment of cocaine movement indicated that more than 90 percent of cocaine shipments have a maritime component.
 - P-3 Forward Looking Infrared Sensor (FLIR) Upgrades (\$1.2 million). A FLIR system is a heat sensor that allows the operator to detect objects based on the heat generated. Four Customs P-3 have FLIR systems with outdated 30-year-old technology. The imagery has slowly degraded as the equipment has aged. This reduced imagery affects

our ability to operate in the land-based and maritime environments. As the focus of the P-3 SLICK missions increasingly shifts toward marine interdiction, upgrade of those FLIR systems is critical to operational effectiveness. Funding completes upgrade on Slicks 1 – 4.

- Marine Vessels, 21 Interceptors (\$6.4 million). These vessels are the mainstay of Customs marine interdiction. A modernized fleet is essential to carry out the mission safely and effectively, particularly during hot pursuit. Furthermore, replacement of current vessels is essential since these boats have significantly exceeded their service life (average age is 10 years and average life span is only 5 years). In the transit zone Customs vessels are deployed to work in conjunction with Coast Guard, DOD, and other law enforcement agencies to deny smugglers the use of air and marine routes. The transit zone spans over 6,000,000 square miles, including Caribbean, Gulf of Mexico and eastern Pacific Ocean.
- Air and Marine Interdiction Coordination Center Upgrades (\$2.3 million). To operate safely and effectively, Customs air assets require special communication, surveillance, and automated data processing equipment to be installed on board or at ground support centers. Funds will support replacement of deteriorating and obsolete safety equipment at Customs Air and Marine Interdiction Coordination Center (AMICC). These upgrades will increase air and marine drug smuggling traffic detected by Western Hemisphere sources; import Air Route Traffic Control Center radar and flight plan data required for international sorting of Western Hemisphere air traffic; and, fill radar gaps off the coast of South America and tie the data into existing command and control centers.

V. PROGRAM ACCOMPLISHMENTS

- The quantity of drugs seized in FY 2000 was a record for Customs. Customs seized or participated in the domestic seizure of over 1.5 million pounds of illegal drugs, including over 150,000 pounds of cocaine, approximately 1.3 million pounds of marijuana, and over 2,550 pounds of heroin.
- Customs seized or participated in the domestic seizure of \$204 million in monetary instruments in FY 2000, most of which was related to drug trafficking.
- Because of increased cooperation among law enforcement agencies, primarily through the Border Coordination Initiative (BCI), Customs and the Border Patrol in FY 2000 seized almost 2.5 million pounds of drugs (heroin, cocaine, and marijuana) on the Southwest Border.
- Customs air and marine interdiction efforts during FY 2000 resulted in the seizure of 187,283 pounds of marijuana, 43,938 pounds of cocaine, 38.4 pounds of heroin and 49.5 pounds of opiates. Air and marine personnel also supported law enforcement efforts that resulted in the seizure of \$17.3 million and 760 arrests.
- Customs has deployed over 40 non-intrusive inspection systems as part of its 5-Year Technology Plan. These systems, such as the Fixed-Site Truck X Ray, the Mobile Truck X

Ray, the Transportable Gamma Ray, the Rail Gamma Ray, and the Mobile Gamma Ray allow Customs to detect narcotics and other contraband in trucks, automobiles, and rail cars. They have been deployed to ports of entry along the southern tier of the U.S. and have assisted in the seizure of over 180,000 pounds of narcotics in the past 3 years.

- Customs Special Agents conducted 699 controlled deliveries during FY 2000. These deliveries resulted in 991 additional arrests (beyond the arrests associated with the initial interdiction), and typified Customs commitment to develop and transform border interdictions into complex conspiracy investigations intended to dismantle drug smuggling organizations.
- U.S. Customs continues to support international anti-drug efforts through the Americas Counter Smuggling Initiative (ACSI), a program designed to minimize the use of legitimate commercial trade for drug smuggling. Over 50 ACSI-related trips were taken during FY 2000. ACSI teams, made up of multidisciplinary Customs officers, provide Carrier Initiative Program and Business Anti-Smuggling Coalition training and assistance to industry and government personnel throughout Central and South America. From FY 1995 through FY 2000, this initiative has resulted in the seizure of approximately 230,000 pounds of illegal drugs abroad as well as in the United States.
- In October 1999, a multi-jurisdictional investigation targeting a Mexico based cocaine and marijuana trafficking organization entered into its third phase (Operation Impunity II). The targeted organization operates primarily from Reynosa, Matamoros, and Michoacan, Mexico. The organization is responsible for smuggling large quantities of marijuana and cocaine in tractor-trailers, often concealed beneath nominal cargoes of fresh produce. This investigation has determined that smaller loads of cocaine smuggled across the U.S. border were consolidated in McAllen, Texas, for subsequent delivery to distribution cells throughout the United States. The investigation to date has resulted in 79 arrests and the seizure of approximately \$10,781,595 in U.S. currency, 5,006 kilograms of cocaine, and 9,325 pounds of marijuana. (These statistics do not take into account the major sweep that took place on or about December 14, 2000.)
- During August and September 2000, law enforcement authorities in Venezuela, Colombia, Italy, Spain, Greece and the United States concluded Operation Journey, which culminated in the arrest of 29 persons (including the alleged leader of the Colombian drug transportation organization), and the seizure of 8,800 kilograms of cocaine and two commercial freighters. Overall, this 2-year multinational initiative, involving the combined efforts of law enforcement authorities from 12 countries and 3 continents, resulted in the seizure of over 22,000 kilograms of cocaine and 47 arrests around the world.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$27.495	\$31.051	\$24.233
Goal 5	<u>0.219</u>	<u>0.232</u>	<u>0.237</u>
Total	\$27.714	\$31.283	\$24.470
Drug Resources by Function			
Investigations	\$26.901	\$30.351	\$23.512
State & Local Assistance	0.594	0.700	0.721
International	<u>0.219</u>	<u>0.232</u>	<u>0.237</u>
Total	\$27.714	\$31.283	\$24.470
Drug Resources by Decision Unit			
Salaries and Expenses	\$18.756	\$20.250	\$20.412
Acquisitions, Construction, Improvements, and Related Expenses	7.001	11.033	4.058
Violent Crime Reduction Program:			
Rural Drug Training	<u>1.957</u>	<u>---</u>	<u>---</u>
Total	\$27.714	\$31.283	\$24.470
Drug Resources Personnel Summary			
Total FTEs (direct only)	117	132	133
Information			
Total Agency Budget	\$135.9	\$153.4	\$120.0
Drug Percentage	20.4%	20.4%	20.4%

II. METHODOLOGY

- This year the FLETC reevaluated its approach used to calculate the amount of drug enforcement support and developed a new methodological approach. The new methodology is presented below.
- The FLETC is an interagency law enforcement training facility providing training to 74 federal agencies and state, local, and international governments. The FLETC provides premium training programs in support of drug enforcement activities. The following are the percentages used in calculating FLETC's drug methodology.

- Basic Training Programs. The following agency percentages are applied to the total student-weeks of training by agency:

Forest Service	0.3
Bureau of Indian Affairs	1.1
Bureau of Land Management	0.7
U.S. Fish and Wildlife Service	0.1
National Park Service	0.5
Bureau of Prisons	57.8
Coast Guard	13.3
Internal Revenue Service	1.1
Immigration and Naturalization Service	15.8
U.S. Border Patrol	15.8
Marshals	52.6
Bureau of Alcohol, Tobacco, and Firearms	41.7
Customs	35.2
Financial Crimes Enforcement Network	30.0
Secret Service	11.5

- Agency Advanced Training Programs. The same percentages as presented above are applied to the total student-weeks of training by agency.
- Center Advanced Training Programs. Any program that has a drug nexus is scored at 100 percent.
- State and Local Programs. The following percentages are applied for these programs:

Gang Resistance, Education and Training	56.0
Any program that has a drug nexus	100.0

- International Training Programs. Currently, all foreign programs have a drug nexus and are scored at 100 percent.
- Once the total student weeks of drug-related training is identified using the parameters identified above, FLETC calculates the percentage of student weeks of drug-related training relative to the total student weeks of training. The resulting percentage is used to calculate the amount of FLETC resources that are used in support of the *National Drug Control Strategy*.

- The following is the calculation for FLETC's FY 2000 percentage, using the new methodology:

Type of Training	Student-Weeks
Basic Program	14,490
Agency Advanced Programs	2,506
FLETC Advanced Programs	520
State & Local Advanced Programs	1,217
G.R.E.A.T. Programs	526
International Programs	576
Total Drug-Related Programs	19,835

- The total number of student-weeks of training conducted by FLETC during FY 2000 was 97,336. The percentage of drug-related training to the total training conducted for FY 2000 is 20.4 percent. This percentage is applied against FLETC's total budget to derive an estimate of drug-related resources.

III. PROGRAM SUMMARY

- The FLETC is an interagency training facility serving 74 federal law enforcement organizations. The major training effort is in the area of basic programs to teach law enforcement skills of investigation to police personnel. The FLETC also conducts advanced programs in areas of common need, such as the use of microcomputers as an investigative tool, marine law enforcement, white collar crime, advanced law enforcement photography, and several instructor training programs. In addition, the FLETC offers programs to state and local and international law enforcement officers on a not-to-interfere-with-federal-training basis.
- The FLETC is headed by a Director who is appointed by the Secretary of the Treasury. The FLETC conducts training in Glynco, Georgia; Artesia, New Mexico; and Charleston, South Carolina.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- All of FLETC's training for federal, state, and local law enforcement agencies is captured under Goal 2. The total drug control enacted level for Goal 2 activities for FY 2001 is \$31.1 million and 132 FTE.

Goal 5: Break foreign and domestic drug sources of supply.

- Training of law enforcement personnel as part of FLETC's International Training Program is classified under Goal 5. The total drug control enacted level for Goal 5 activities for FY 2001 is \$232,000.

FY 2002 Significant Program Changes

- FLETC's FY 2002 request includes \$24.5 million and 133 FTE for drug-related training, a reduction of \$6.8 million and an increase of 1 FTE from the FY 2001 enacted level. The request reflects a reduction due to non-recurring expenses in FLETC's capital account. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- During FY 2000, the FLETC trained 23,326 students, amounting to 97,336 student-weeks. Training was primarily conducted at Glynco, GA; Artesia, NM; and Charleston, SC.
- The FLETC continues to improve the training provided to its customers and improve the facilities through new construction and the renovation of existing buildings.

FINANCIAL CRIMES ENFORCEMENT NETWORK

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$7.096	\$8.452	\$8.966
Goal 5	<u>1.774</u>	<u>2.113</u>	<u>2.242</u>
Total	\$8.870	\$10.565	\$11.208
Drug Resources by Function			
Intelligence	\$8.870	\$10.565	\$11.208
Drug Resources by Decision Unit			
Salaries and Expenses	\$8.345	\$10.565	\$11.208
Violent Crime Trust Fund	<u>0.525</u>	<u>---</u>	<u>---</u>
Total	\$8.870	\$10.565	\$11.208
Drug Resources Personnel Summary			
Total FTEs (direct only)	55	64	69
Information			
Total Agency Budget	\$29.6	\$35.2	\$37.3
Drug Percentage	30.0%	30.0%	30.0%

II. METHODOLOGY

- The Financial Crimes Enforcement Network (FinCEN) developed its drug control budget by estimating the level of resources devoted to support narcotics-related investigations by domestic and international law enforcement agencies.

III. PROGRAM SUMMARY

- Illicit drug trafficking produces billions of dollars in income domestically and internationally. The success of drug traffickers, and organized crime in general, is based largely upon their ability to transfer those illegal proceeds into funds with a seemingly legal source—a process known as money laundering.
- FinCEN supports the *National Drug Control Strategy*'s Goal 2: "Increase the safety of America's citizens by substantially reducing drug-related crime and violence," and Goal 5: "Break foreign and domestic drug sources of supply," through its role in preventing and detecting money laundering.
- The mission of FinCEN is to support law enforcement investigative efforts and foster interagency and global cooperation against domestic and international financial crimes; and to provide U.S. policy-makers with strategic analyses of domestic and worldwide money laundering developments, trends, and patterns. FinCEN works toward those ends through

information collection, analysis and sharing, as well as technological assistance and innovative, cost-effective implementation of the Bank Secrecy Act and other Treasury authorities.

- In response to the Money Laundering and Financial Crimes Strategy Act of 1998, the Departments of Treasury and Justice released the first National Money Laundering Strategy (NMLS) in September 1999 and the first annual report in March 2000. These reports provide a comprehensive overview of all U.S. Government efforts to combat money laundering.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence and Goal 5: Break foreign and domestic drug sources of supply.

- FinCEN's resources support Goal 2 and Goal 5 of the *National Drug Control Strategy*. FinCEN funding supports investigative case support, the identification of financial crime trends and patterns, administration of the Bank Secrecy Act, and fostering international cooperation on the implementation of money laundering controls.

FY 2002 Significant Program Changes

- In FY 2002, FinCEN is requesting \$11.2 million and 69 FTEs. FinCEN's request represents an increase of \$0.6 million over the FY 2001 level.
- The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- FinCEN is continuing its efforts to estimate the magnitude of money laundering, drawing domestic and international focus on the issue by chairing federal interagency Economic Policy and Law Enforcement Committees on developing linkages with international partners. In September 2000, FinCEN awarded a major contract to develop a methodology for estimating the magnitude of money laundering.
- FinCEN works closely with other components of the U.S. Government, as well as America's international partners, to counter the growing threat of transnational crime to financial institutions and governments. To accomplish this objective, FinCEN will enhance its capacity to identify and disseminate trends and patterns analyses, provide on-site support for designated High Intensity Financial Crime Areas (HIFCAs), increase investigative exchanges coordinated with foreign Financial Intelligence Units (FIUS), and continue to strive for state-of-the-art information technology to support FinCEN's program objectives.

INTERAGENCY CRIME AND DRUG ENFORCEMENT

I. RESOURCE SUMMARY

	(Budget Authority in Millions)		
	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$60.300	\$78.200	\$81.200
Goal 5	<u>14.700</u>	<u>25.000</u>	<u>25.300</u>
Total	\$75.000	\$103.200	\$106.500
Drug Resources by Function			
Investigations	\$75.000	\$103.200	\$106.500
Drug Resources by Decision Unit			
ATF	\$10.000	\$10.600	\$11.000
Customs	27.900	28.900	29.900
IRS	36.800	63.100	64.900
Treasury, Office of Enforcement	<u>0.300</u>	<u>0.600</u>	<u>0.700</u>
Total	\$75.000	\$103.200	\$106.500
Drug Resources Personnel Summary			
Total FTEs (direct only)	---	---	---
Information			
Total Agency Budget	\$75.0	\$103.2	\$106.5
Drug Percentage	100%	100%	100%

II. METHODOLOGY

- The Interagency Crime and Drug Enforcement (ICDE) appropriation provides reimbursable resources to the three Department of the Treasury agencies that participate in the Organized Crime Drug Enforcement Task Force (OCDETF) Program and also provides funding for Departmental program management and oversight. Therefore, the resources for this program are 100 percent drug-related.

III. PROGRAM SUMMARY

ATF

- Violent crime is one of the primary concerns of the citizens of this nation. A significant portion of today's violent crime is directly associated with the distribution of drugs by sophisticated drug trafficking organizations. An important element of a balanced drug enforcement strategy is the targeting of drug organizations' routine use of violence in carrying out their operations. In case after case, it is clear that firearms, explosives and arson are used as tools of the drug organizations for purposes of intimidation, enforcement and retaliation against their own members, rival organizations, or the community in general.

IRS-CI

- The IRS-CI is a significant contributor to federal anti-drug efforts. The IRS-CI works to dismantle and disrupt major narcotics and narcotics money laundering organizations by using the unique financial investigative skills of its special agents. The financial activities of drug trafficking organizations, their high-level members and other significant individuals who transport, distribute or finance illegal drugs or launder illegal drug proceeds are investigated. Investigations are frequently worked by multi-agency task forces (such as OCDETF) and investigate all aspects of the individual/organization's illegal activities. The IRS-CI uses the tax code, money laundering statutes, and asset seizure/forfeiture laws to thoroughly investigate the financial operations of the organizations. With the globalization of the U.S. economy and the increasing use of electronic funds transfer, investigations of these organizations and individuals have become more international in scope.

USCS

- It is well known that drug and money laundering organizations have a significant nexus outside of the United States. The Customs Service is committed to identifying these money laundering operations in order to disrupt and, ultimately, to dismantle the organizations. In order to achieve success, the Customs Service participates as a member of coordinated investigations of criminal, money laundering organizations to yield prosecutions and convictions, and removal of their assets. Customs participation in the OCDETF program provides a comprehensive, nationwide program with the infrastructure and the ability to synchronize and coordinate investigations and prosecutions of significant, high level regional, national, and international drug and money laundering organizations, including those with a propensity for violence.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- ATF, IRS-CI, USCS and DO support Goal 2 of the *National Drug Control Strategy*. During FY 2001 the above Treasury agencies have allocated \$78.2 million of ICDE funding and supporting 609 reimbursable FTEs to support this Goal.

Goal 5: Break foreign and domestic drug sources of supply.

- IRS-CI support Goal 5 of the *National Drug Control Strategy*. During FY 2001 IRS-CI allocated \$25 million of ICDE funding and supporting 168 reimbursable FTEs to support this Goal.

FY 2002 Significant Program Changes

- The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- As mentioned, the goal of the ICDE Program is to identify, investigate, and prosecute members of high-level drug trafficking and related enterprises, and to dismantle or disrupt the operation of those organizations. Pursuing this goal has resulted in a number of quality cases, which in turn has had an impact on illegal drug trafficking. Summarized below are a few investigations that demonstrate successes of the participating Treasury bureaus in the ICDE program. These cases are listed by lead agency that initiated the investigation.

ATF

- Operation Seventh Ward Posse. ATF was able to stop a violent street gang that was attempting to control sales of crack cocaine throughout New Orleans, Louisiana. Twenty-two homicides and 12 shootings are attributed to this organization. ATF efforts resulted in the arrest and indictment of 14 defendants on narcotics, conspiracy, and firearm charges. All defendants, except one, have pled guilty or were convicted at trial. Sentences range from 35 years to life plus 10 years.
- Operation Nickel Boys. ATF, DEA, and the Baltimore City Police Department convicted thirteen individuals as a result of an OCDETF investigation. This criminal organization was involved in a major portion of violence including murder as part of the crack cocaine trade. The convictions included murder in aid of racketeering, firearms and narcotics violations. Two individuals were sentenced to life with the average sentence for the remaining individuals being 30 years.
- Operation Sosomo. ATF, DEA and local authorities from the Colorado Springs area initiated a complex investigation, which resulted in dismantling a major outlaw motorcycle gang. Two ATF undercover agents infiltrated the Sons of Silence motorcycle club and purchased numerous firearms, machine guns, hand grenades, pipe bombs and several pounds of methamphetamine. The case resulted in over 40 arrests and the seizure of numerous firearms, explosives and narcotics.

IRS-CI

- Operation N.O. Rap, Inc. On March 12, 1999, Richard R. Pena, of Avondale, Louisiana, was sentenced to life imprisonment for his involvement as a leader in a violent drug organization that operated in the Eastern District of Louisiana. The group was responsible for trafficking in cocaine and marijuana. Pena pleaded guilty to a 14-count Federal indictment that included drug charges and a \$5.5 million money laundering conspiracy violation. In addition to working the money laundering violation, IRS-CI was very instrumental in assisting the U.S. Attorney's Office and other Federal agencies in seizing over \$1.3 million in cash, several luxury automobiles, boats, and real estate in Louisiana and Florida.
- Operation Homestead. Juan Carlos Villegas of New Jersey was involved with other co-conspirators in the laundering of approximately \$10 million. Using drug trafficking proceeds, Villegas and others conspired to conduct financial transactions that concealed the nature, location, source, ownership and control of the funds, and avoided the federal

transaction-reporting requirement. The organization utilized numerous accounts, extensive use of wire transfer outlets, and the ownership of its own licensed money remitting business that was used as part of its money laundering process. The investigation was concluded with the indictment of 14 defendants. Juan Carlos Villegas and the other defendants eventually pleaded guilty and, in March 1999, were sentenced.

U.S. Customs

- Operation Energizer. This operation was initiated in 1999 and targeted internal conspiracies involving ILA, Teamsters, Security Guards, and Shipping Yard Managers at Port Everglades. The case originated from a successful controlled delivery, resulting in a Title III intercept, operating for 150 days. Results include 32 arrests, 28 convictions, and the seizure of 12,000 lbs. cocaine, 20,000 lbs. marijuana, over one million dollars in U.S. currency and four million dollars in properties.
- Operation Shadow Com. This was a joint Customs/FBI investigation, targeting a major Haitian narcotics smuggling/distribution organization operating in Haiti and South Florida. The organization utilized concealed compartments on board small freighters to illegally import cocaine into South Florida (Miami River) from Haiti. In FY 1999, the investigation resulted in three arrests, the seizure of fifty kilograms of cocaine and three vehicles. As a result of this investigation, in FY 2000 a unique concealment method was discovered, resulting in the seizure of approximately one million dollars in U.S. Currency, five freighters and over three thousand pounds of cocaine.
- Operation Overlord. On August 25, 1999, the Customs Service and the Drug Enforcement Administration, with cooperation from American Airlines, culminated two long-term undercover investigations, Operation Ramp Rats and Operation Sky Chefs. Operating under the umbrella operation "Overlord," these investigations targeted internal conspiracies at Miami International Airport, which facilitated the importation and domestic movement of drugs and weapons aboard air carriers. This OCDETF investigation resulted in the arrests of over 70 suspects, including 37 American Airlines employees and 3 law enforcement officers. In addition, the investigation resulted in the seizures of 691 pounds of cocaine and 17 pounds of heroin. The operation demonstrated serious security breaches at the Miami International Airport.

INTERNAL REVENUE SERVICE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$41.484	\$31.418	\$20.730
Goal 5	<u>32.029</u>	<u>25.926</u>	<u>19.655</u>
Total	\$73.513	\$57.344	\$40.385
Drug Resources by Function			
Investigations	\$54.046	\$36.856	\$18.416
Intelligence	17.574	18.505	19.252
International	<u>1.893</u>	<u>1.983</u>	<u>2.717</u>
Total	\$73.513	\$57.344	\$40.385
Drug Resources by Decision Unit			
Narcotics Crimes	\$56.379	\$39.359	\$21.678
Currency Transaction Reports	<u>17.134</u>	<u>17.985</u>	<u>18.707</u>
Total	\$73.513	\$57.344	\$40.385
Drug Resources Personnel Summary			
Total FTEs (direct only)	817	679	496
Information			
Total Agency Budget	\$8,118.7	\$8,624.5	\$8,879.8
Drug Percentage	0.9%	0.7%	0.5%

II. METHODOLOGY

- The Internal Revenue Service (IRS) Drug Control Budget contains two components: Criminal Investigation (CI) and Currency Reporting Forms Processing.
- Traditionally, IRS-CI calculated its support to the federal counterdrug effort based upon percentages of Direct Investigative Time (DIT) applied to the Narcotics Program. Pursuant to IRS-CI's recent reorganization and restructuring, accounting for Narcotics Program resources has been changed beginning with FY 2001. Accordingly, program commitment will now be reported utilizing the total number of Full Time Equivalents (FTE) in lieu of DIT percentages.
- The IRS-CI Narcotics Related Financial Crimes Program supports Goals 2 and 5 of the *National Drug Control Strategy* through the investigation and prosecution of narcotics and narcotics money laundering organizations. IRS-CI has set the FY 2001 Narcotics Program resource level at 797 FTE, comprised of 365 direct and 432 reimbursable FTE. The IRS request for appropriated Narcotics Program resource levels will decline as the IRS continues the implementation of its reorganization. Ultimately, the IRS intends to rely on reimbursement for all of these investigations. In FY 2001, the reduced appropriation level for the IRS was offset by increases in ICDE reimbursements.

- Currency Reporting Forms Processing: IRS resources are expended to process Currency Reporting Forms required by the Bank Secrecy Act (Title 31), namely, Currency Transaction Reports (CTR's) and Casino Currency Transaction Reports (C-CTR's), Suspicious Activity Reports (SAR's), and Foreign Bank Account Reports (FBAR's) as well as Form 8300, Cash Payments in Excess of \$10,000 Received in a Trade or Business, required by the Internal Revenue Code (Title 26). The forms are processed for reporting banks, financial institutions, and money services businesses, as well as retail businesses. This program activity is reported in a separate account in the IRS's budget activities and is scored as 100 percent drug-related, supporting Goals 2 and 5 of the *National Drug Control Strategy*.

III. PROGRAM SUMMARY

- The mission of IRS-CI in federal law enforcement's anti-drug efforts is to utilize the financial expertise of its agents to identify and impede the transfer of illegal proceeds generated by the manufacture and distribution of illegal drugs. The mission focuses on the disruption and dismantling of the country's major domestic and international narcotics and narcotics money laundering organizations through investigation, prosecution, and asset forfeiture proceedings. Prosecutions involve the criminal statutes contained in the Internal Revenue Code (Title 26), the Bank Secrecy Act (Title 31), and the Money Laundering Control Act (Title 18) of the United States Code.
- IRS-CI promulgated an international strategy that placed special agents in strategic foreign posts to facilitate the development and use of information obtained in host nations in support of criminal investigations. The international strategy provides for direct foreign source support to the investigations over which IRS-CI has investigative jurisdiction.
- IRS-CI supports the overall IRS mission by the investigation of criminal violations under its jurisdiction through three program areas: the Legal Income Tax Crimes Program, the Illegal Income Financial Crimes Program, and the Narcotics-Related Financial Crimes Program (Narcotics Program). The Narcotics Program supports the *National Drug Control Strategy* and the National Money Laundering Strategy through continued support to joint agency task forces, including the ICDE, The High Intensity Drug Trafficking Area (HIDTA), and the High Risk Money Laundering and Financial Crimes Areas (HIFCA). Additionally, IRS-CI is implementing a series of Task Forces to be used as a catalyst for the development of significant tax, narcotics, and non-narcotics money laundering cases. IRS-CI has identified two emerging issues in the narcotics arena to be implemented in concert with the established task forces that require orchestrated and coordinated focus: The Wire Remitter Services Project and the Bulk Transportation of Currency Project. To ensure coordination of activities, IRS-CI participates in the money laundering section at the Drug Enforcement Administration Special Operation Division and is an executive-level member of the Counterdrug Intelligence Coordinating Group. IRS-CI also assists in developing money laundering and asset forfeiture legislation through international training and assistance programs.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- Of the total counter-narcotics funding received by the IRS, \$31.4 million supports IRS-CI's effort in the investigation and prosecution of drug organizations, including domestic money laundering organizations. IRS-CI utilizes the financial investigative expertise of its special agents to increase the safety of America's citizens by substantially reducing drug-related crime and violence. Through resources applied to the Narcotics Program, IRS-CI supports joint agency task forces including ICDE, HIDTA, and HIFCA, and sponsors and assists in covert money laundering initiatives to identify, disrupt, and dismantle the systems and criminal organizations that launder narcotics proceeds.
- IRS-CI directs its investigative efforts in drug enforcement towards financial investigations that meet standards set by the ICDE program. IRS-CI's financial investigations of tax and money laundering violations, arrest and prosecution of the leaders, and seizure and forfeiture of the narcotic organization assets, contribute to strengthening law enforcement for the purpose of dismantling major domestic and international criminal narcotic organizations.
- IRS-CI is implementing a series of Task Forces to facilitate the development of significant tax, narcotics, and non-narcotics money laundering cases.
- IRS-CI will implement projects targeting narcotics money laundering organizations that uses wire remitter services and the bulk transportation of currency in their narcotics money laundering activities. The illegal use of wire remitter services by sophisticated narcotics organizations offers the narcotics trafficker/money launderer an immediate, efficient, secure, and reliable method of transferring huge sums of illicit funds over short period of time. Another IRS-CI initiative targets the Bulk Transportation of Cash. The transportation of large sums of cash is a very reliable warning sign of drug trafficking activity and widely used method for the movement of millions of dollars in narcotics proceeds.

Goal 5: Break Foreign and Domestic Drug Sources of Supply

- Of the total counter-narcotics funding received by the IRS, \$25.9 million supports IRS-CI's Goal 5 activities.
- The IRS-CI strategy in counterdrug activities is to prevent the smuggling of narcotics into the U.S. by reducing the profit motive to criminal organizations. This is accomplished through continued support to joint agency task forces including ICDE and HIDTA, use of asset forfeiture, and through assistance in developing money laundering and asset forfeiture legislation.
- IRS-CI is currently organizing two projects, the Wire Remitter and Bulk Transportation of Currency initiatives, in order to identify domestic and international criminal money

laundering organizations that are utilizing the non-bank wire remitter industry, or transporting large quantities of currency from, into, and within the United States.

- IRS-CI is participating in the money laundering section at the Department of Justice, Special Operations Division (SOD), which is heavily concentrated on domestic and international narcotics-related organizations.
- IRS-CI is also an executive-level member of the Counterdrug Intelligence Coordinating Group that focuses on international counter-narcotics efforts.
- The IRS-CI's International Strategy places special agents in strategic foreign posts to facilitate the development and use of information obtained in host nations in support of criminal investigations. The IRS-CI maintains permanent overseas posts in Bogota, Colombia, Mexico City, Mexico, Frankfurt, Germany, Hong Kong, China, and Ottawa, Canada. A second special agent was posted in Mexico in FY 2000. IRS-CI Special Agents assigned to foreign posts work with their host governments to develop laws that establish and/or enhance anti-money laundering statutes, criminal tax statutes, and asset forfeiture statutes. Numerous foreign governments worldwide have requested IRS-CI assistance in developing money laundering and asset forfeiture legislation. The international strategy provides for direct foreign source support to the investigations over which IRS-CI has investigative jurisdiction, to include money-laundering violations.

FY 2002 Significant Program Changes

- The President's FY 2002 Budget includes a total of \$40.4 million in drug-related resources for the IRS. The FY 2002 request reflects a decrease of \$17.0 million from the FY 2001 level.
- The \$17.0 million reduction in drug-related funding is attributed to the IRS's continued implementation of recommendations in the Webster Report. As a result of the IRS decision, IRS-CI will continue to rely more heavily on reimbursements through the Interagency Crime Drug Enforcement appropriation to fund narcotics investigations.
- In FY 2001, the reduced funding of IRS-CI narcotics investigations was offset by an increase in funding for those investigations through ICDE. In FY 2002, the ICDE request for funding to reimburse IRS-CI for narcotics investigations was maintained at the FY 2001 level.

V. PROGRAM ACCOMPLISHMENTS

- In FY 2000, IRS-CI:
 - Initiated 1,029 narcotics-related investigations,
 - Recommended prosecution on 812 narcotics-related investigations,
 - Achieved a narcotics-related conviction rate of 88.4 percent,
 - Applied 21.8 percent of Direct Investigative time to the Narcotics Program, and

- Realized \$45.7 million in forfeited narcotics-related assets.
- The effectiveness of CI's Counternarcotics operations is demonstrated by the results of our investigations. The following are highlights of a few of our significant investigations:
 - Operation Cash Back (Alemania). In a blow against narcotics money laundering, 24 indictments were returned in Miami, Florida, and more than \$4 million was seized, against 60 defendants in the United States and Colombia. Operation Cash Back began in 1996 and centered around the IRS Form 8300, which is required for cash transactions of \$10,000 or more. Those indicted were part of a black market peso exchange, a money laundering method that utilizes drug proceeds in the purchase of domestic merchandise that is eventually shipped to Colombia for resale. This IRS-led OCDETF operation was the largest Form 8300 enforcement project ever undertaken by the IRS. The defendants face money laundering and failure to file Form 8300 charges, punishable by up to 20 years and five years imprisonment respectively.
 - Operation Capricorn. This IRS-led OCDETF investigation determined that two brothers from the Somerville, NJ, area were members of a Colombian money-laundering cell that frequented various post offices for the purpose of converting large amounts of currency into numerous U.S. Postal Money Orders. These money orders were subsequently mailed to Cali, Colombia for sale on the black market. The investigation identified targets in New Jersey, New York, and Colombia through the analysis of financial records, tolls analysis, trash retrieval, physical surveillance, and electronic surveillance, including wire interception. The main defendants and several conspirators have entered guilty pleas but have not yet been sentenced. Other defendants are either awaiting trial or are in fugitive status.
 - Operation Hotwheels. A marijuana distributor and 26 associates were investigated for money laundering and drug sales in the Long Island, New York area. The investigation documented the movement of drugs by a parcel shipping company from California to New York, and the bulk shipment of over \$3.5 million in cash to recipients in California by the US Postal express mail. Thirteen arrest warrants and 6 search warrants were executed in New York and California. In addition to the arrest of 22 individuals, several hundred thousand dollars in assets were seized including 8 homes, currency, bank and brokerage accounts, and jewelry.
 - Operation Weed Whacker. This IRS-led OCDETF investigation involved the activities of a cocaine and marijuana smuggling organization that operated in Hillsboro, Texas. The organization was responsible for importing narcotics from Mexico at points of entry in South Texas, and distributing it throughout the Michigan, Illinois, North Carolina, and Arkansas via concealment in boat hulls transported by tractor-trailers. Seven defendants have pled guilty to narcotics conspiracy and money laundering and are cooperating with law enforcement in this continuing investigation. Sentences have ranged from 12 to 37 months incarceration with varying degrees of fines.

UNITED STATES SECRET SERVICE

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$79.747	\$105.968	\$113.751
Goal 3	<u>9.617</u>	<u>9.929</u>	<u>9.925</u>
Total	\$89.364	\$115.897	\$123.676
Drug Resources by Function			
Prevention	\$9.617	\$9.929	\$9.925
Investigations	<u>79.747</u>	<u>105.968</u>	<u>113.751</u>
Total	\$89.364	\$115.897	\$123.676
Drug Resources by Decision Unit			
Investigative Operations	\$77.404	\$105.968	\$113.751
Support Operations	6.134	6.219	6.137
Protective Operations	3.483	3.710	3.788
Crime Control Act	<u>2.343</u>	<u>---</u>	<u>---</u>
Total	\$89.364	\$115.897	\$123.676
Drug Resources Personnel Summary			
Total FTEs (direct only)	734	841	924
Information			
Total Agency Budget	\$722.6	\$826.7	\$855.5
Drug Percentage	12.4%	14.0%	14.5%

II. METHODOLOGY

- The cumulative drug-related funding level for the Secret Service is based on estimates of drug-related activities within three Secret Service decision units. The estimate that 39 percent of the workload of the Service's Investigative Operations is drug-related is based upon an analysis of base staff hours expended. The Secret Service estimate of seven percent for Protective Operations and one percent for Support Operations' involvement also rely on an analysis of base staff hours.
- Resources identified as drug-related are based upon a methodology that incorporates pay, benefits and support costs of FTE devoted to drug enforcement activities. These include criminal investigations, federal/state/local task force involvement, employee and applicant drug testing, protectee drug-related speeches, and protection for protectees involved in other drug enforcement related activities.

III. PROGRAM SUMMARY

- The Secret Service drug-related investigative activities support Goal 2 of the *National Drug Control Strategy*. The Service's employee and applicant drug testing, protectee drug-related speeches, and protection for protectees involved in other drug enforcement-related activities support Goal 3 of the *National Drug Control Strategy*.
- The mission of the Secret Service includes the authority and responsibility to:
 - Protect the President, the Vice President, the President-elect, the Vice President-elect, and members of their immediate families; major Presidential and Vice Presidential candidates; former Presidents, their spouses and minor children; and visiting heads of foreign states/governments.
 - Provide security for the White House Complex and other presidential offices, for the official residence of the Vice President, and for foreign diplomatic missions in the Washington, DC metropolitan area.
 - Detect and arrest any person committing an offense against the laws relating to currency, coins, obligations, and securities of the United States or foreign governments.
 - Detect and arrest those persons violating laws pertaining to electronic funds transfer frauds, credit card and debit card frauds, fraud involving federally insured financial institutions, false identification documents or devices, and computer access fraud.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 2: Increase the safety of America's citizens by substantially reducing drug-related crime and violence.

- In FY 2001, the Service will spend \$106 million in support of Goal 2 activities. The Service shifted 80 of its investigative FTE to Protective Operations. After the termination of the extraordinary protective efforts of 2000 and 2001 for protection of candidates/nominees for the presidential campaign, FTE will shift from protective to investigative operations.

Goal 3: Reduce health and social cost to the public of illegal drug use.

- The Service's FY 2001 drug-related resources in support of Goal 3 activities total \$9.9 million. Employee and applicant drug testing, protectee drug-related speeches, and protection for protectees involved in other drug enforcement-related activities are captured under this Goal.

FY 2002 Significant Program Changes

- The Service's FY 2002 drug-related resources are \$123.7 million, an increase of \$7.8 million over the FY 2001 enacted level. In FY 2002, the Service will continue to devote thirty-nine

percent of its investigative resources, seven percent of its protective resources, and one percent of its support resources to drug-related activities.

- The request reflects increases to maintain current services. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- The United States Secret Service continues to support Goals 2 and 3 of the *National Drug Control Strategy*.

TREASURY FORFEITURE FUND

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 2	\$158.100	\$147.500	\$147.500
Goal 4	<u>0.200</u>	<u>0.600</u>	<u>0.600</u>
Total	\$158.300	\$148.100	\$148.100
 Drug Resources by Function			
Investigations	\$81.400	\$81.900	\$81.900
State & Local Assistance	76.700	65.600	65.600
Interdiction	<u>0.200</u>	<u>0.600</u>	<u>0.600</u>
Total	\$158.300	\$148.100	\$148.100
 Drug Resources by Decision Unit			
Permanent Indefinite Authority	\$158.300	\$148.100	\$148.100
 Drug Resources Personnel Summary			
Total FTEs	---	---	---
 Information			
Total Agency Budget	\$226.1	\$221.0	\$221.0
Drug Percentage	70.0%	67.0%	67.0%

II. METHODOLOGY

- The Executive Office for Asset Forfeiture requests that the law enforcement agencies that participate in the Fund provide an estimate of the percentage of their expenses that involve drug-related seizures for the upcoming fiscal year. This percentage is based on what the bureau believes it will spend on drug-related cases throughout the upcoming year. A weighted average of all the bureau's percentages is then calculated and applied to the Fund's estimated Budget Authority.

III. PROGRAM SUMMARY

- The Treasury Forfeiture Fund was established by Public Law 102-393, the Treasury Department Appropriations Act. The Fund supports the law enforcement activities of the Treasury Department and the United States Coast Guard, as well as provides equitable sharing payments to foreign governments and to state and local law enforcement agencies.
- The Treasury Forfeiture Fund supports Goal 2 of the *Strategy*, "Increase the safety of America's citizens by substantially reducing drug-related crime and violence" and Goal 5 of the *Strategy*, "Break foreign and domestic drug sources of supply." Funds may be used for several purposes:

- **Mandatory Authority.** These items are generally used to meet “business expenses” of the Fund, including expenses of storing and maintaining seized and forfeited assets; valid liens and mortgages; investigative expenses incurred in pursuing a seizure; information and inventory systems; and certain costs of local police agencies incurred in joint law enforcement operations. Following seizure, equitable shares are paid to state and local law enforcement agencies that contributed to the seizure activity at a level proportionate to their involvement.
- **Secretary’s Enforcement Fund (SEF).** This fund is derived from equitable shares received from the Department of Justice or the U.S. Postal Service (USPS). These shares represent Treasury’s portion in the overall investigation which lead to a Justice or USPS forfeiture. SEF revenue is available for federal law enforcement purposes of any Treasury law enforcement organization.
- **Super Surplus.** This represents the remaining unobligated balance after an amount is reserved for Fund operations in the next fiscal year. Super Surplus can be used for any federal law enforcement purpose.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 2: Increase the safety of America’s citizens by substantially reducing drug-related crime and violence.

- The total drug control resources for the Treasury Forfeiture Fund in FY2001 that are related to the Goal 2 is \$147.5 million. Of this total, close to \$66 million is distributed to state and local governments as equitable sharing payments. This represents their proportionate contribution to forfeiture cases involving a Treasury enforcement agency.

Goal 4: Shield America’s air, land, and sea frontiers from the drug threat.

- The total drug control resources for the Treasury Forfeiture Fund in FY2001 that are related to the Goal 4 is \$0.6 million.

FY 2002 Significant Program Changes

- Drug control resources of the Fund total \$148.1 million in FY 2002, the same level as FY 2001. Specific drug program enhancements are not requested in the FY 2002 budget.

V. PROGRAM ACCOMPLISHMENTS

- Reimbursing proper expenses of seizure and forfeiture, sharing funds with state and local law enforcement agencies, and managing the resources of the fund constitute the main achievements of the Fund. These achievements apply mostly to the investigations into money laundering and illegal drug activity conducted within the United States.

- Domestic efforts in training law enforcement officers in the asset forfeiture process were conducted as a means of facilitating investigations wherein money laundering and other proceeds from illegal drug activity are affecting the United States.

DEPARTMENT OF VETERANS AFFAIRS

I. RESOURCE SUMMARY

(Budget Authority in Millions)

	2000 Final	2001 Enacted	2002 Request
Drug Resources by Goal			
Goal 3	\$554.628	\$572.915	\$580.766
Drug Resources by Function			
Treatment	\$546.831	\$564.363	\$571.358
Treatment Research	<u>7.797</u>	<u>8.552</u>	<u>9.408</u>
Total	\$554.628	\$572.915	\$580.766
Drug Resources by Decision Unit			
Medical Care	\$546.831	\$564.363	\$571.358
Research	<u>7.797</u>	<u>8.552</u>	<u>9.408</u>
Total	\$554.628	\$572.915	\$580.766
Drug Resources Personnel Summary			
Total FTEs (direct only)	3,621	3,661	3,616
Information			
Total Agency Budget	\$45,505.0	\$47,442.0	\$51,652.5
Drug Percentage	1.2%	1.2%	1.1%

II. METHODOLOGY

- Specialized Treatment Costs – VA’s drug budget estimates include all costs generated by the treatment of patients with drug use disorders treated in specialized substance abuse treatment programs.
- Other Related Treatment – VA’s drug budget estimates also include all costs generated by the treatment of patients with a primary drug use diagnosis treated in any other treatment setting. No “other costs” associated with secondary and associative diagnosis are factored into the drug budget. A primary drug abuse diagnosis suggests that a drug use disorder was the focus of treatment in the non-specialized setting.
- This budget accounts for drug-related costs for VHA Medical Care and Research. It is not all encompassing of drug-related costs for the agency. VA incurs costs related to accounting and security of narcotics and other controlled substances and costs of law enforcement related to illegal drug activity; however, these costs are assumed to be relatively small and would not have a material effect on the aggregate VA costs reported.
- As displayed in this volume, the Department of Veterans Affairs’ (VA) drug control budget methodology has been changed to account more accurately for drug-related treatment funding. As a result of improved tracking mechanisms within the cost accounting system regarding drug patients, VA is now better able to account for the drug-related resources

associated with medical treatment costs for patients with substance abuse disorders. Previously, VA included “other related treatment costs” of patients treated with primary, secondary or associated drug diagnoses. Using this approach, various percentages of treatment costs were applied depending on the patient’s drug diagnosis. These data were then extrapolated from previous years to current years by applying the medical Consumer Price Index. For “other related treatment costs,” this process resulted in capturing costs that were only indirectly related to drug treatment. As a result, a change in VA’s drug methodology has been implemented that more accurately accounts for drug-related treatment.

- For fiscal year 2000, the revised methodology has resulted in a scorekeeping adjustment of close to \$560 million from the amount reported in last year’s *Budget Summary*. Adjustments have been made to the historical data series for all fiscal years in which VA reported drug funding. This change reflects a technical scorekeeping adjustment only and has no adverse effect on the actual level of VA’s resources devoted to drug treatment.

III. PROGRAM SUMMARY

- The Department of Veterans Affairs, through its Veterans Health Administration, operates a network of substance abuse treatment programs located in the Department’s medical centers, domiciliaries and outpatient clinics. VA plays a major role in the provision of services to veterans who are “service connected” or indigent. (The term “service connected” refers to injuries sustained while in military service, especially those injuries sustained as a result of military action). All of the drug-related resources support Goal 3 of the *Strategy*.
- The investment in health care and specialized treatment of veterans with drug abuse problems identified as funded by the resources in Medical Care helps avoid future health, welfare and crime costs associated with illegal drug use.
- In coordination with the Center for Substance Abuse Treatment (CSAT) on how to best employ outreach models, VA has been a participant in the Treatment Improvement Protocol (TIP) initiative. A component of this project is the specific development of TIP number 27, relating to case management and the associated facilitation of access to treatment.
- The dollars expended in research help to acquire new knowledge to improve the prevention, diagnosis and treatment of disease, and acquire new knowledge to improve the effectiveness, efficiency, accessibility and quality of veterans’ health care.
- The Department of Veterans Affairs, in keeping with modern medical practice, continues to improve service delivery by expanding primary care and shifting treatment services to lower cost settings when clinically appropriate. Included in this shift to more efficient and cost effective care delivery has been VA’s substance abuse treatment system. Initial data suggest these shifts in care delivery may impact budgets in future years. The exact nature of the impact, if any, cannot be determined until additional trend data becomes available.

IV. BUDGET SUMMARY

FY 2001 Program Level by Strategy Goal

Goal 3: Reduce health and social costs to the public of illegal drug use.

- In FY 2001, VA will spend \$572.9 million for treatment activities that support Goal 3 of the *Strategy*. This includes \$564.4 million for medical care; \$264.6 million for specialized treatment; \$299.8 million for other related treatment that provides treatment of patients with a primary drug use diagnosis treated in any other treatment setting; and \$8.6 million for research and development to be applied towards drug abuse related research.

FY 2002 Significant Program Changes

- The FY 2002 request is \$580.8 million, which consists of \$571.4 million for medical care and \$9.4 million for drug abuse related research. This represents a \$7.9 million increase over FY 2001 enacted levels.
- In conjunction with the Department of Health and Human Services (HHS) and the Department of Justice (DOJ), the Department of Veterans Affairs (VA) will make available to communities its expertise in drug treatment theory and program development. The emphasis will be on the establishment of a treatment continuum, the implementation of patient/treatment matching and methods of evaluating treatment outcome and implementing and assessing the effectiveness of clinical practice guidelines. VA will be able to accomplish this within existing resources, primarily through its Center of Excellence in Substance Abuse Treatment and Education (CESTATE) and its Program Evaluation and Resource Center (PERC). These two entities already provide these services within VA and will be made available for integration into similar activities within HHS and DOJ.
- Increase treatment efficiency and effectiveness. Provide information on successful methods in various programs and the number of referrals that enter treatment. The dollars expended in research help to meet this goal and objective by (1) acquiring new knowledge to improve the prevention, diagnosis and treatment of disease, and (2) acquiring new knowledge to improve the effectiveness, efficiency, accessibility and quality of veterans' health care.
- Use effective outreach referral and case management efforts to facilitate early access to treatment. In coordination with CSAT on how best to employ outreach models, VA has been and will continue to be a participant in the Treatment Improvement Protocol (TIP) initiative developed by CSAT of SAMHSA, Department of Health and Human Services. A component of this project is the specific development of a TIP relating to case management and the associated facilitation of access to treatment. Previously issued TIPs have been made available to VA treatment programs, and have been used in VA's continuing education activities. This effort will continue in the future.

V. PROGRAM ACCOMPLISHMENTS

- Specialized substance abuse treatment services are available at 153 VA medical facilities. These are predominantly ambulatory treatment programs.
- VA continues to provide inpatient treatment services to veterans with significant substance abuse and psychosocial problems: 54 percent are 50 and older, 75 percent are not married, 37 percent are members of an ethnic minority, and 31 percent have service-connected disabilities. Among patients with drug diagnoses treated in specialized inpatient substance abuse units, 50 percent abuse cocaine, 34 percent abuse opioids, and 38 percent have coexisting psychiatric diagnoses.
- Improved rates of treatment retention: The Program Evaluation and Resource Center (PERC), Palo Alto Healthcare System, is conducting a major process-outcome evaluation of substance abuse treatment programs. PERC is focusing on substance abuse treatment programs at 13 VA Medical Centers that follow a traditional 12-step and/or a cognitive-behavioral (C-B) treatment approach. These are the two most prevalent treatment orientations in VA programs. Intake and discharge data have been collected on over 3,000 patients; one- and two-, and five-year follow-ups have been conducted. Findings obtained include:
 - A total of 40 percent of the patients were abstinent from alcohol and drugs in the three months before the 1-year follow-up compared with only 2 percent in the three months before treatment intake. Additionally, at follow-up, 30 percent of the patients had no problems due to substance use, whereas at intake only 3 percent had no such problems. Psychological, legal and employment functioning also improved, but less substantially.
 - Casemix-adjusted (statistically controlled for differences in patient characteristics across the different types of programs) 1-year outcomes showed that patients in 12-step programs were most likely to be abstinent, free of substance abuse problems, and employed. Patients who obtained more regular and more intensive outpatient mental health care, and those who participated more in 12-step self-help groups, were more likely to be abstinent and free of substance use problems.
 - With respect to treatment processes, patients in 12-step programs improved more between intake and discharge than did (C-B) patients on proximal. Outcomes assumed to be specific to 12-step treatment outcomes (e.g., disease concept beliefs, attending 12-step meetings), whereas patients in C-B programs made no greater change (and on a few variables, less change) than did 12-step patients on proximal. Outcomes assumed to underlie C-B treatment (e.g., sense of self-efficacy, coping skills).
 - No evidence was found that C-B or 12-step treatment is more beneficial for certain types of patients than is the other treatment approach.
 - Dually diagnosed patients and those with only substance use disorders had comparable substance use outcomes. However, patients with major psychiatric disorders fared worse

on psychological symptoms and employment outcomes than did patients with personality disorders or only substance use disorders.

- PERC recently completed a prospective 1-year evaluation of a nationwide sample of more than 2,300 VA substance abuse patients seen in the Contract Residential Facilities (CRF) program. The findings are that:
 - Patients in the CRF Program improve substantially between treatment intake and 1-year follow-up.
 - Patients who have longer episodes of care and participate more intensively in the CRF program have better casemix-adjusted 1-year outcomes.
 - The CRF program benefits diverse subgroups: substance abuse patients with psychiatric disorders, residentially unstable and homeless patients, patients mandated to treatment, and patients admitted directly from outpatient care.
 - Patients in CRF care have better casemix-adjusted 1-year outcomes than comparable patients discharged directly from inpatient care to independent living in the community.
 - Patients who are clinically eligible to be admitted directly to CFRs from outpatient care have similar casemix-adjusted 1-year outcomes but lower costs than do comparable patients who first have an episode of inpatient care.
 - Patients who obtain more consistent outpatient mental health care during and after the CRF episode have better 1-year substance use and psychosocial outcomes than patients who obtain less consistent outpatient care.
- The Program Evaluation and Resource Center is working with Mental Health Strategic Healthcare Group to develop a system of indicators to monitor the provision of services to veterans with substance use disorders. The first phase of development will test monitors designed to assess the effectiveness of indicators measuring access to treatment and continuity of services. Later phases will evaluate treatment outcome using indicators such as changes in substance use, medical and psychiatric status, economic status and social conditions after receipt of services.